

AMENDED IN SENATE AUGUST 11, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1476

Introduced by Committee on Budget (Skinner (Chair), Bloom, Campos, Chesbro, Dababneh, Daly, Dickinson, Gordon, Jones-Sawyer, Mullin, Muratsuchi, Nazarian, Rodriguez, Stone, Ting, and Weber)

January 9, 2014

~~An act relating to the Budget Act of 2014. An act to amend the Budget Act of 2014 (Chapter 25 of the Statutes of 2014) by amending Items 0555-001-0193, 2660-001-0046, 3940-001-0193, 3980-001-0001, 3980-001-3056, 5227-101-3259, 5227-106-0001, 6110-111-0001, 6110-194-0001, 6110-195-0890, 6110-196-0001, 6110-488, 6440-001-0001, 6610-001-0001, 6870-101-0001, 7100-001-0514, 7100-001-0870, 8660-001-0462, 8660-001-0493, 8660-101-0493, 9800-001-0001, 9800-001-0494, and 9800-001-0988 of, by adding Items 0250-302-3138 and 3940-496 to, and by repealing Item 0650-001-3259 of, Section 2.00 of, and by amending Sections 11.00 and 39.00 of, that act, relating to the State Budget, and making an appropriation therefor, to take effect immediately, budget bill.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1476, as amended, Committee on Budget. Budget Act of 2014.

The Budget Act of 2014 made appropriations for the support of state government for the 2014–15 fiscal year.

This bill would amend the Budget Act of 2014 by revising items of appropriation and making other changes.

This bill would declare that it is to take effect immediately as a Budget Bill.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2014.~~

Vote: majority. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Item 0250-302-3138 is added to Section 2.00 of the Budget Act of 2014, to read:

0250-302-3138—For capital outlay, Judicial Branch, payable from the Immediate and Critical Needs Account, State Court Facilities Construction Fund..... \$27,000,000
Schedule:

(1) 91.34.001-Sacramento County: New Sacramento Criminal Courthouse- Preliminary Plans and Working Drawings..... \$27,000,000

Provisions:

1. Notwithstanding any other provisions of law, the funds appropriated in Schedule (1) shall be available for encumbrance until June 30, 2016.

SEC. 2. Item 0555-001-0193 of Section 2.00 of the Budget Act of 2014 is amended to read:

0555-001-0193—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Waste Discharge Permit Fund..... 1,800,000
Provisions:

~~1. Of the amount appropriated in this item, and notwithstanding subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code, up to \$1,500,000 shall be available for environmental justice grants pursuant to Section 71116 of the Public Resources Code. The appropriation specified in this provision shall only be made from the penalty revenues in excess of \$229,000 generated by the imposition of liabilities pursuant to subdivision~~

(e) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code that are deposited into and separately accounted for in the Waste Discharge Permit Fund. These funds are available for encumbrance or expenditure until June 30, 2016.

1. *Of the amount appropriated in this item, \$1,500,000 is contingent upon penalty revenues that are subject to separate accounting in accordance with subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code in excess of \$229,000 being received and deposited into the Waste Discharge Permit Fund after June 30, 2014, and before July 1, 2015. If the penalty revenues described in the preceding sentence exceed \$229,000, then notwithstanding subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code, the amount in excess of \$229,000, up to a total of \$1,500,000, shall be available for environmental justice grants pursuant to Section 71116 of the Public Resources Code. These funds are available for encumbrance or expenditure until June 30, 2016.*

SEC. 3. Item 0650-001-3259 of Section 2.00 of the Budget Act of 2014 is repealed.

0650-001-3259—For support of Office of Planning and Research, for payment to Item 0650-001-0001, payable from the Recidivism Reduction Fund.....	5,000,000
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SEC. 4. Item 2660-001-0046 of Section 2.00 of the Budget Act of 2014 is amended to read:

2660-001-0046—For support of Department of Transportation,
 for payment to Item 2660-001-0042, payable from the
 Public Transportation Account, State Transportation
 Fund..... 182,104,000
 Provisions:
 1. For Program 30—Mass Transportation, ~~\$108,947,000~~
~~\$119,487,000~~ appropriated in this item is available for
 intercity rail contracts.
 2. Notwithstanding any other provision of law, funds
 appropriated in this item from the Public Transporta-
 tion Account may be reduced and replaced by an
 equivalent amount of federal funds determined by the
 Department of Transportation to be available and
 necessary to comply with Section 8.50 and the most
 effective management of state transportation resources.
 Not more than 30 days after replacing the state funds
 with federal funds, the Director of Finance shall notify
 in writing the chairpersons of the committees in each
 house of the Legislature that consider appropriations
 and the Chairperson of the Joint Legislative Budget
 Committee of this action.
 3. Of the funds appropriated in this item, the Department
 of Finance may transfer expenditure authority among
 schedules to accommodate increases in Amtrak con-
 tract costs related to fuel.

*SEC. 5. Item 3940-001-0193 of Section 2.00 of the Budget Act
 of 2014 is amended to read:*

3940-001-0193—For support of State Water Resources Control
 Board, for payment to Item 3940-001-0439, payable from
 the Waste Discharge Permit Fund..... 114,038,000
 Provisions:
~~1. Of the amount appropriated in this item, and not-~~
~~withstanding subdivision (c) of Section 13264, subdivi-~~
~~vision (f) of Section 13268, subdivision (k) of Section~~
~~13350, and paragraph (2) of subdivision (n) of Section~~
~~13385 of the Water Code, up to \$1,800,000 shall be~~
~~from the moneys deposited into, and separately ac-~~
~~counted for, the Waste Discharge Permit Fund pur-~~

suant to the balance of penalty revenues generated by the imposition of liabilities pursuant to subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code. The funds specified in this provision are hereby appropriated to support a pilot program to address the environmental issues and natural resource damages associated with the cultivation of marijuana.

1. *Of the amount appropriated in this item, up to \$1,800,000 shall be from the penalty revenues that are subject to separate accounting in accordance with subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code. These funds shall be available to support a pilot program to address the environmental issues and natural resource damages associated with the cultivation of marijuana.*
2. *Of the amount appropriated in this item, up to \$500,000 shall be from the penalty revenues that are subject to separate accounting in accordance with subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code. These funds shall be available to support the greater Monterey County Regional Water Management Group development of an integrated plan to address drinking water and wastewater needs of the disadvantaged communities in the Salinas Valley.*

SEC. 6. *Item 3940-496 is added to Section 2.00 of the Budget Act of 2014, to read:*

3940-496—Reversion, State Water Resources Control Board.

As of June 30, 2014, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made:

0193—Waste Discharge Permit Fund

(1) *Item 3940-001-0193, Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), for the purposes specified in Provision 1 of that item.*

(2) *Item 3940-001-0193, Budget Act of 2013 (Chs. 20 and 354, Stats. 2013), for the purposes specified in Provision 1 of that item.*

SEC. 7. *Item 3980-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:*

3980-001-0001—For support of Office of Environmental Health	
Hazard Assessment.....	4,616,000
Schedule:	
(1) 10-Health Risk Assessment.....	21,912,000
	22,806,000
(2) Reimbursements.....	-3,646,000
(3) Amount payable from the Unified Program Account (Item 3980-001-0028)....	-147,000
(4) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3980-001-0044).....	-4,052,000
(5) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 3980-001-0080).....	-144,000
(6) Amount payable from the California Used Oil Recycling Fund (Item 3980-001-0100).....	-619,000
(7) Amount payable from the Department of Pesticide Regulation Fund (Item 3980-001-0106).....	-1,916,000
(8) Amount payable from the Air Pollution Control Fund (Item 3980-001-0115).....	-772,000
(9) Amount payable from the California Environmental License Plate Fund (Item 3980-001-0140).....	-959,000
(10) Amount payable from the Oil Spill Prevention and Administration Fund (Item 3980-001-0320).....	-145,000

1	(11) Amount payable from the Integrated	
2	Waste Management Account, Integrated	
3	Waste Management Fund (Item 3980-	
4	001-0387).....	-277,000
5	(12) Amount payable from the Public Utili-	
6	ties Commission Utilities Reimburse-	
7	ment Account (Item 3980-001-0462)....	-157,000
8	(13) Amount payable from the Toxic Sub-	
9	stances Control Account (Item 3980-	
10	001-0557).....	-251,000
11	(14) Amount payable from the Federal Trust	
12	Fund (Item 3980-001-0890).....	-414,000
13	(15) Amount payable from the Safe Drinking	
14	Water and Toxic Enforcement Fund	
15	(Item 3980-001-3056).....	-3,075,000
16		-3,969,000
17	(16) Amount payable from the Birth Defects	
18	Monitoring Fund (Item 3980-001-	
19	3114).....	-144,000
20	(17) Amount payable from the Greenhouse	
21	Gas Reduction Fund (Item 3980-001-	
22	3228).....	-578,000

SEC. 8. *Item 3980-001-3056 of Section 2.00 of the Budget Act of 2014 is amended to read:*

3980-001-3056—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the Safe Drinking Water and Toxic Enforcement Fund..... ~~3,075,000~~
3,969,000

Provisions:

- Notwithstanding any other provision of law, of the funds appropriated in Schedule (10) (1) of Item 3980-001-0001, up to \$890,000 is available for development of an enhanced Proposition 65 Internet Web site, for expenditure or encumbrance until June 30, 2016. Funding provided pursuant to this provision shall be made available only upon California Department of

Technology approval of a Stage 1 Business Analysis and corresponding Feasibility Study Report.

2. The Director of Finance may increase or decrease this item of appropriation based on the final approved Feasibility Study Report. Within 30 days of making any adjustment, the Department of Finance shall report the adjustment in writing to the Joint Legislative Budget Committee.

3. *Notwithstanding any other provision of law, of the funds appropriated in Schedule (1) of Item 3980-001-0001, up to \$894,000 is available for payment of a settlement agreement related to the Proposition 65 program. Any funds appropriated in excess of the amount required for payment of the settlement shall revert to the Safe Drinking Water and Toxic Enforcement Fund.*

SEC. 9. Item 5227-101-3259 of Section 2.00 of the Budget Act of 2014 is amended to read:

5227-101-3259—For local assistance, Board of State and Community Corrections..... 28,000,000

Provisions:

1. Of the funds appropriated in this item, \$670,000 shall be made available to the city in California with the highest rate of murder *per capita* as reported *per 100,000 residents* by city police departments *with a population of 250,000 residents or greater in the most recent 2012* United States Department of Justice Uniform Crime Report.
2. Of the funds appropriated in this item, \$665,000 shall be made available to the city in California with the highest rate of rape *per capita* as reported *per 100,000 residents* by city police departments *with a population of 250,000 residents or greater in the most recent 2012* United States Department of Justice Uniform Crime Report.
3. Of the funds appropriated in this item, \$665,000 shall be made available to the city in California with the highest rate of robbery *per capita* as reported *per*

100,000 residents by city police departments with a population of 250,000 residents or greater in the most recent 2012 United States Department of Justice Uniform Crime Report.

4. Each city that receives a grant pursuant to Provision 1, 2, or 3 shall collaborate and coordinate with area jurisdictions and agencies, including the existing county juvenile coordination council, with the goal of reducing criminal activity in the city and adjacent areas. Each grantee shall establish a coordinating and advisory council to prioritize the use of the funds. Membership shall include city officials, local law enforcement, local educational agencies, and community-based organizations.

SEC. 10. Item 5227-106-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

5227-106-0001—For local assistance, Board of State and Community Corrections..... 11,286,000
Provisions:

1. *The funds appropriated in this item shall be allocated by the Controller to county probation departments according to a schedule provided by the Department of Finance. The funds allocated to county probation departments are to address the limited-term increase of offenders on Post Release Community Supervision as a result of the Three Judge Panel's February 10, 2014, order to increase credit earnings for certain offenders.*

SEC. 11. Item 6110-111-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-111-0001—For local assistance, Department of Education,
for allocation by the Superintendent of Public Instruction
to California state preschool providers pursuant to Section
8278.3 of the Education Code..... 10,000,000

Provisions:

1. *The funds appropriated in this item shall be transferred to the Child Care Facilities Revolving Fund and shall be made available to local education agencies and contracting agencies for the California State Preschool Program facilities pursuant to Section 8278.3 of the Education Code.*

SEC. 12. Item 6110-194-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-194-0001—For local assistance, Department of Education,
for allocation by the Superintendent of Public Instruction
to school districts, county offices of education, and other
agencies for child care and development programs included
in this item, in lieu of the amount that otherwise would be
appropriated pursuant to any other statute..... 822,235,000

Schedule:

(1.5) 30.10.020-Child Care Services..... 1,402,291,000

(a) 30.10.020.001-Special Program, Child Development, General Child Development Programs..... 543,867,000

(c) 30.10.020.004-Special Program, Child Development, Migrant Day Care..... 27,513,000

(d) 30.10.020.007-Special Program, Child Development, Alternative Payment Program..... 182,296,000

1	(e) 30.10.020.011-Spe-	
2	cial Program, Child	
3	Development Alter-	
4	native Payment Pro-	
5	gram—Stage 2.....	354,548,000
6	(f) 30.10.020.012-Spe-	
7	cial Program, Child	
8	Development Alter-	
9	native Payment Pro-	
10	gram—Stage 3.....	219,825,000
11	(g) 30.10.020.008-Spe-	
12	cial Program, Child	
13	Development, Re-	
14	source and Refer-	
15	ral.....	18,687,000
16	(j) 30.10.020.096-Special	
17	Program, Child Devel-	
18	opment, Allowance for	
19	Handicapped.....	1,535,000
20	(k) 30.10.020.106-Special	
21	Program, Child Devel-	
22	opment, California	
23	Child Care Initia-	
24	tive.....	225,000
25	(l) 30.10.020.901-Spe-	
26	cial Program, Child	
27	Development, Quali-	
28	ty Improvement.....	46,476,000
29	(n) 30.10.020.920-Special	
30	Program, Child Devel-	
31	opment, Local Plan-	
32	ning Councils.....	3,319,000
33	(o) 30.10.020.014-Special	
34	Program, Child Devel-	
35	opment, Accounts	
36	Payable.....	4,000,000
37	(3) Amount payable from the Federal	
38	Trust Fund (Item 6110-194-0890).....	-580,056,000

Provisions:

1. Funds in Schedules (1.5)(g), Resource and Referral, (1.5)(k), California Child Care Initiative, (1.5)(l), Quality Improvement, and (1.5)(n), Local Planning Councils, shall be allocated to meet federal requirements to improve the quality of child care and shall be used in accordance with the approved California state plan for the federal Child Care and Development Fund that is developed pursuant to the requirements under Section 8206.1 of the Education Code.
2. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
4. Notwithstanding any other provision of law, funds in Schedule (1.5)(o) are available for accounts payable for alternative payment programs for actual and allowable costs incurred for additional services, pursuant to Section 8222.1 of the Education Code. The State Department of Education shall give priority for the allocation of these funds for accounts payable.
5. The amounts provided in Schedules (1.5)(a), (1.5)(c), (1.5)(d), and (1.5)(j) of this item reflect an adjustment to the base funding of 0.49 percent for an increase in the population of 0–4 year-olds.
6. The maximum standard reimbursement rate shall not exceed \$36.10 per day for general child care programs. Furthermore, the migrant child care program shall adhere to the maximum standard reimbursement rates as prescribed for the general child care programs. All other rates and adjustment factors shall conform.
7. (a) Alternative payment child care programs shall be subject to the rate ceilings established in the Regional Market Rate Survey of California child care and development providers for provider payments. When approved pursuant to ~~Section~~

Sections 8357 and 8447 of the Education Code, any changes to the market rate limits, adjustment factors, or regions shall be utilized by the State Department of Education, the California Community Colleges, and the State Department of Social Services in various programs under the jurisdiction of these departments.

- (b) Starting July 1, 2014, through December 31, 2014, the funds appropriated in this item for the cost of licensed child care services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse child care costs up to the 85th percentile of the rates charged by providers offering the same type of child care for the same age child in that region, based on the 2005 Regional Market Rate Survey data. Starting January 1, 2015, the funds appropriated in this item for the cost of licensed child care services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse child care costs up to the deflated 85th percentile of the rates charged by providers offering the same type of child care for the same age child in that region, based on the 2009 Regional Market Rate Survey data. The 85th percentile of rates based on the 2009 Regional Market Rate Survey shall be reduced by 9 percent, pursuant to ~~Section~~ *Sections 8357 and 8447* of the Education Code. If the reduced rate schedule reimbursement amount for a particular county rate is less than the reimbursement amount provided for the same rate prior to January 1, 2015, then the State Depart-

1 ment of Education shall use the rate schedule from
2 the 2005 Regional Market Rate Survey for that
3 particular reimbursement amount.

- 4 (c) The funds appropriated in this item for the cost
5 of license-exempt child care services provided
6 through alternative payment or voucher programs,
7 including those provided under Article 3 (com-
8 mencing with Section 8220) and Article 15.5
9 (commencing with Section 8350) of Chapter 2 of
10 Part 6 of Division 1 of Title 1 of the Education
11 Code, shall be used only to reimburse license-ex-
12 empt child care costs up to 60 percent of the re-
13 gional reimbursement rate limits established for
14 family child care homes.

- 15 8. (a) The State Department of Education (SDE) shall
16 conduct monthly analyses of CalWORKs Stage
17 2 and Stage 3 caseloads and expenditures and
18 adjust agency contract maximum reimbursement
19 amounts and allocations as necessary to ensure
20 funds are distributed proportionally to need. The
21 SDE shall share monthly caseload analyses with
22 the State Department of Social Services (DSS).

- 23 (b) The SDE shall provide quarterly information re-
24 garding the sufficiency of funding for Stage 2 and
25 Stage 3 to DSS. The SDE shall provide caseloads,
26 expenditures, allocations, unit costs, family fees,
27 and other key variables and assumptions used in
28 determining the sufficiency of state allocations.
29 Detailed backup by month and on a county-by-
30 county basis shall be provided to the DSS at least
31 on a quarterly basis for comparisons with Stage
32 1 trends.

- 33 (c) By September 30 and March 30 of each year, the
34 SDE shall ensure that detailed caseload and expen-
35 diture data, through the most recent period for
36 Stage 2 and Stage 3 along with all relevant assump-
37 tions, is provided to DSS to facilitate budget de-
38 velopment. The detailed data provided shall in-
39 clude actual and projected monthly caseload from
40 Stage 2 scheduled to time off of their transitional

child care benefit from the last actual month reported by agencies through the next two fiscal years as well as local attrition experience. DSS shall utilize data provided by the SDE, including key variables from the prior fiscal year and the first two months of the current fiscal year, to provide coordinated estimates in November of each year for each of the three stages of care for preparation of the Governor's Budget, and shall utilize data from at least the first two quarters of the current fiscal year, and any additional monthly data as they become available for preparation of the May Revision. The DSS shall share its assumptions and methodology with the SDE in the preparation of the Governor's Budget.

- (d) The SDE shall coordinate with the DSS to identify annual general subsidized child care program expenditures for Temporary Assistance for Needy Families-eligible children. The SDE shall modify existing reporting forms as necessary to capture this data.
- (e) The SDE shall provide to the DSS, upon request, access to the information and data elements necessary to comply with federal reporting requirements and any other information deemed necessary to improve estimation of child care budgeting needs.
- (f) On or before January 30, 2015, following consultation with the DSS, the SDE shall determine the adequacy of funding appropriated by the Legislature for CalWORKs Stage 2 and Stage 3. If the SDE determines that the Stage 2 appropriation exceeds the current year caseload needs and the Stage 3 appropriation is not sufficient to fully fund its caseload need, then the SDE shall submit a request to the Department of Finance to transfer the excess funds from Schedule (1.5)(e), CalWORKs Stage 2 child care to Schedule (1.5)(f), CalWORKs Stage 3 child care. Notwithstanding Section 26.00 or any other provision of law, the

- 1 Department of Finance may, at its discretion, ap-
2 prove such a transfer.
- 3 (g) Notwithstanding any other provision of law or
4 any other sections of this act, the Department of
5 Finance may augment the appropriation for Cal-
6 WORKs Stage 3 if the estimate of expenditures,
7 as determined by the SDE, following consultation
8 with the DSS, will exceed the expenditures autho-
9 rized in Schedule (1.5)(f). The Department of Fi-
10 nance shall report any augmentation pursuant to
11 this paragraph to the Joint Legislative Budget
12 Committee. At the time the report is made, the
13 amount of the appropriation made in Schedule
14 (1.5)(f) shall be increased by the amount of the
15 augmentation.
- 16 (h) The Director of Finance may, pursuant to Provi-
17 sions 8(f) and 8(g), authorize the augmentation
18 of the amount available for expenditure in
19 Schedule (1.5)(f) by making a transfer from
20 Schedule (1.5)(e). An augmentation may be autho-
21 rized not sooner than 30 days after notification in
22 writing of the necessity to exceed the limitations
23 is provided to the Joint Legislative Budget Com-
24 mittee, or whatever lesser time the chairperson of
25 the joint committee may determine. Any request
26 made by the SDE to augment the CalWORKs
27 Stage 3 appropriation shall be approved only in
28 order to cover increases in costs that are consistent
29 with assumptions of this act. This provision shall
30 not be construed to treat Stage 3 as an entitlement.
- 31 9. Notwithstanding any other provision of law, the funds
32 in Schedule (1.5)(f) are reserved exclusively for con-
33 tinuing child care for the following: (a) former Cal-
34 WORKs families who are working, have left cash aid,
35 and have exhausted their two-year eligibility for tran-
36 sitional services in either Stage 1 or Stage 2 pursuant
37 to subdivision (c) of Section 8351 or Section 8353 of
38 the Education Code, respectively, but still meet eligi-
39 bility requirements for receipt of subsidized child care
40 services, and (b) families who received lump-sum di-

version payments or diversion services under Section 11266.5 of the Welfare and Institutions Code and have spent two years in Stage 2 off of cash aid, but still meet eligibility requirements for receipt of subsidized child care services.

10. Notwithstanding any other provision of law, each local planning council receiving funds appropriated in Schedule (1.5)(n) shall meet the requirements of Section 8499.5 of the Education Code to the extent feasible and to the extent data is readily accessible.

11. Notwithstanding any other provision of law, the implementation of Provision 13 is not subject to the appeal and resolution procedures for agencies that contract with the State Department of Education for the provision of child care services or the due process requirements afforded to families that are denied services specified in Chapter 19 (commencing with Section 18000) of Division 1 of Title 5 of the California Code of Regulations.

12. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Education may implement Provision 13 through management bulletins or similar instructions.

13. Notwithstanding any other provision of law, families shall be disenrolled from subsidized child care services consistent with the priorities for services specified in subdivision (b) of Section 8263 of the Education Code. Families shall be disenrolled in the following order: (a) families with the highest income below 70 percent of the State Median Income (SMI) adjusted for family size, (b) of families with the same income level, those that have been receiving child care services for the longest period of time, (c) of families with the same income level, those that have a child with exceptional needs, and (d) families with children who are receiving child protective services or are at risk of being neglected or abused, regardless of family income.

14. Of the amount provided in Schedule (1.5)(a), \$2,000,000 is available to provide 4,000 slots for wraparound care for part-day state preschool, beginning June 15, 2015.

SEC. 13. Item 6110-195-0890 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-195-0890—For local assistance, Department of Education, Program 20.60-Instructional Support, Part A of Title II of the federal Elementary and Secondary Education Act (20 U.S.C. Sec. 6621 et seq.; Teacher and Principal Training and Recruiting Fund), payable from the Federal Trust Fund..... 251,715,000

Schedule:

- (1) 20.60.280-Improving Teacher Quality
Local Grants..... 240,206,000
- (2) 20.60.190.300-California Subject Matter
Projects..... 3,791,000
- (3) 20.60.300-Improving Teacher Quality
Higher Education Grants..... 6,618,000
- (4) 20.60.301-Improving Teacher Quality
State-Level Activities..... 500,000
- (5) 20.60.302-Improving Teacher Quality
State-Local Activities (Administrator
Induction)..... 600,000

Provisions:

1. The funds appropriated in Schedule (2) shall be transferred to the University of California, which shall use the funds for the Subject Matter Projects pursuant to Article 1 (commencing with Section 99200) of Chapter 5 of Part 65 of Division 14 of Title 3 of the Education Code.
2. The funds appropriated in Schedule (3) shall be for local assistance activities for the Improving Teacher Quality Higher Education grants, funded through the federal No Child Left Behind Act of 2001 (P.L. 107-110).
3. The funds appropriated in Schedule (4) shall be reserved for the professional development of private

1 school teachers and administrators as required by Title
2 II of the federal Elementary and Secondary Education
3 Act (20 U.S.C. Sec. 6601 et seq.).

4 4. Of the funds appropriated in Schedule (2), \$118,000
5 is provided in one-time carryover for transfer to the
6 University of California and shall be used for the
7 Subject Matter Projects. None of these funds shall be
8 used for additional indirect administrative costs.

9 5. Of the funds appropriated in Schedule (2), \$106,000
10 is provided in one-time carryover for transfer to the
11 University of California and shall be used for the
12 Subject Matter Projects. None of these funds shall be
13 used for additional indirect administrative costs.

14 6. Of the funds appropriated in Schedule (3), \$271,000
15 is provided in one-time carryover for the Improving
16 Teacher Quality Higher Education Grants. None of
17 these funds shall be used for additional indirect admin-
18 istrative costs.

19 7. Of the funds appropriated in Schedule (5), \$600,000
20 is provided in one-time carryover *funds for transfer*
21 *to the Commission on Teacher Credentialing* for pur-
22 poses of Administrator Induction Programs that are
23 approved by the Commission on Teacher Credential-
24 ing. *None of these funds shall be used by the Depart-*
25 *ment of Education for indirect administrative costs.*

26
27 *SEC. 14. Item 6110-196-0001 of Section 2.00 of the Budget*
28 *Act of 2014 is amended to read:*
29

30 6110-196-0001—For local assistance, Department of Education
31 (Proposition 98), for transfer by the Controller to Section
32 A of the State School Fund, for allocation by the Superin-
33 tendent of Public Instruction to school districts, county
34 offices of education, and other agencies for the purposes
35 of part-day state preschool programs pursuant to Article 7
36 (commencing with Section 8235) of Chapter 2 of Part 6 of
37 Division 1 of Title 1 of the Education Code funded in this
38 item, in lieu of the amount that otherwise would be appro-
39 priated pursuant to any other statute..... 654,450,000

Schedule:

- (1) 30.10.010-Special Program, Child Development, Preschool Education..... 579,450,000
- (1.1) 30.10.011-Special Program, Child Development, Quality Rating Improvement System Grants..... 50,000,000
- (1.2) 30.10.012-Special Program, Child Development, Preschool Quality..... 25,000,000

Provisions:

- 2. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
- 3. The amount provided in Schedule (1) reflects an adjustment to the base funding of 0.49 percent for an increase in the population of 0-4 year-olds.
- 4. The maximum standard reimbursement rate shall not exceed ~~\$22.84~~ \$22.28 per day for state preschool programs.
- 5. Of the amount appropriated in Schedule (1), up to \$5,000,000 is available for the family literacy supplemental grant provided to California state preschool programs pursuant to Section 8238.4 of the Education Code.
- 6. The amount provided in Schedule (1.1) is available for Quality Rating and Improvement System grants provided to state preschool programs pursuant to Section 8203.1 of the Education Code.
- 7. The amount provided in Schedule (1.2) is available for professional development and stipends for teacher education for transitional kindergarten and state preschool teachers. Priority for teacher education stipends is for transitional kindergarten teachers. Notwithstanding any other provision of law, the funds appropriated in this schedule shall be available for encumbrance until June 30, 2017.

- 1 8. Of the amount provided in schedule (1), \$1,000,000
2 is available to provide 4,000 slots for part-day state
3 preschool, beginning June 15, 2015.
4

5 *SEC. 15. Item 6110-488 of Section 2.00 of the Budget Act of*
6 *2014 is amended to read:*
7

8 6110-488—Reappropriation, Department of Education.

9 Notwithstanding any other provision of law, the balances
10 from the following items are available for reappropriation
11 for the purposes specified in Provisions 1 to 6:

12 0001—General Fund

- 13 (1) \$1,853,000 or whatever greater or lesser amount of
14 the unexpended balance of the amount appropriated
15 for the Charter School Facility Grant Program in Item
16 6110-220-0001 pursuant to Section 5 of Chapter 3 of
17 the 2009–10 Fourth Extraordinary Session, as
18 amended by Chapter 31 of the 2009–10 Third Extraor-
19 dinary Session.
20 (2) \$283,000 or whatever greater or lesser amount of the
21 unexpended balance of the amount appropriated for
22 Assessment Review and Reporting in Schedule (1) of
23 Item 6110-113-0001 of the Budget Act of 2011 (Ch.
24 33, Stats. 2011).
25 (3) \$208,000 or whatever greater or lesser amount of the
26 unexpended balance of the amount appropriated for
27 Educational Services for Foster Youth in Item 6110-
28 119-0001 of the Budget Act of 2011 (Ch. 33, Stats.
29 2011).
30 (4) \$20,000 or whatever greater or lesser amount of the
31 unexpended balance of the amount appropriated for
32 Economic Impact Aid in Item 6110-128-0001 of the
33 Budget Act of 2011 (Ch. 33, Stats. 2011).
34 (5) \$12,524,000 or whatever greater or lesser amount of
35 the unexpended balance of the amount appropriated
36 for Special Education Programs for Exceptional Chil-
37 dren in Schedule (1) of Item 6110-161-0001 of the
38 Budget Act of 2011 (Ch. 33, Stats. 2011).
39 (6) \$1,396,000 or whatever greater or lesser amount of
40 the unexpended balance of the amount appropriated

- 1 for California Partnership Academies in Schedule (1)
2 of Item 6110-166-0001 of the Budget Act of 2011 (Ch.
3 33, Stats. 2011).
- 4 (7) \$31,000 or whatever greater or lesser amount of the
5 unexpended balance of the amount appropriated for
6 the Agricultural Career Technical Education Incentive
7 Program in Item 6110-167-0001 of the Budget Act of
8 2011 (Ch. 33, Stats. 2011).
- 9 (8) \$1,072,000 or whatever greater or lesser amount of
10 the unexpended balance of the amount appropriated
11 for child nutrition programs in Schedule (1) of Item
12 6110-203-0001 of the Budget Act of 2011 (Ch. 33,
13 Stats. 2011).
- 14 (9) \$3,161,000 or whatever greater or lesser amount of
15 the unexpended balance of the amount appropriated
16 for the Quality Education Investment Act of 2006 in
17 the 2011–12 fiscal year pursuant to Section 52055.770
18 of the Education Code.
- 19 (10) \$12,000 or whatever greater or lesser amount of the
20 unexpended balance of the amount appropriated for
21 Home to School Transportation in Schedule (1) of
22 Item 6110-111-0001 of the Budget Act of 2012 (Chs.
23 21 and 29, Stats. 2012).
- 24 (11) \$799,000 or whatever greater or lesser amount of the
25 unexpended balance of the amount appropriated for
26 the Statewide Testing and Reporting Program in
27 Schedule (2) of Item 6110-113-0001 of the Budget
28 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 29 (12) \$243,000 or whatever greater or lesser amount of the
30 unexpended balance of the amount appropriated for
31 the English Language Development Assessment in
32 Schedule (3) of Item 6110-113-0001 of the Budget
33 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 34 (13) \$3,250,000 or whatever greater or lesser amount of
35 the unexpended balance of the amount appropriated
36 for Special Education Programs for Exceptional
37 Children in Schedule (1) of Item 6110-161-0001 of
38 the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 39 (13.5) \$31,000 or whatever greater or lesser amount of the
40 unexpended balance of the amount appropriated for

the Child Nutrition School Breakfast and Summer Food Service Program in Item 6110-201-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).

(14) \$6,600,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for child nutrition programs in Schedule (1) of Item 6110-203-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).

(15) \$213,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the California High School Exit Examination assistance program in Item 6110-204-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).

(16) \$4,000,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Instructional Support: Economic Impact Aid for Charter Schools in Schedule (2) of Item 6110-211-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).

(17) \$2,673,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Categorical Programs for New Schools in Item 6110-212-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).

(18) \$36,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Arts and Music Block Grant in Item 6110-265-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).

(19) \$22,895,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Program 98-K-12 Mandated Programs Block Grant in Item 6110-296-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).

(20) \$1,090,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Supplemental Instruction, Remedial, Grades 7-12 for the purposes of Section 37252 of the Education Code in Schedule (1) of Item 6110-104-0001 of the

- 1 Budget Act of 2011 (Ch. 33, Stats. 2011), as amended
2 by Section 50 of Chapter 7 of the Statutes of 2011.
- 3 (21) \$84,000 or whatever greater or lesser amount of the
4 unexpended balance of the amount appropriated for
5 Supplemental Instruction, Retained, or Recommended
6 for Retention, Grades 2–9, for the purposes of Section
7 37252.2 of the Education Code in Schedule (2) of
8 Item 6110-104-0001 of the Budget Act of 2011 (Ch.
9 33, Stats. 2011), as amended by Section 50 of Chapter
10 7 of the Statutes of 2011.
- 11 (22) \$15,000 or whatever greater or lesser amount of the
12 unexpended balance of the amount appropriated for
13 Supplemental Instruction, Low STAR, Grades 2–6,
14 for the purposes of Section 37252.8 of the Education
15 Code in Schedule (3) of Item 6110-104-0001 of the
16 Budget Act of 2011 (Ch. 33, Stats. 2011), as amended
17 by Section 50 of Chapter 7 of the Statutes of 2011.
- 18 (23) \$64,000 or whatever greater or lesser amount of the
19 unexpended balance of the amount appropriated for
20 Supplemental Instruction, Core Academic K–12 for
21 the purposes of Section 37253 of the Education Code
22 in Schedule (4) of Item 6110-104-0001 of the Budget
23 Act of 2011 (Ch. 33, Stats. 2011), as amended by
24 Section 50 of Chapter 7 of the Statutes of 2011.
- 25 (24) \$9,169,000 or whatever greater or lesser amount of
26 the unexpended balance of the amount appropriated
27 for Preschool Education and Child Care Services in
28 Schedule (1) of Item 6110-196-0001 of the Budget
29 Act of 2011 (Ch. 33, Stats. 2011).
- 30 (25) \$12,011,000 or whatever greater or lesser amount of
31 the unexpended balance of the amount appropriated
32 for the After School Education and Safety Program
33 in the 2011–12 fiscal year pursuant to Section 8384.5
34 of the Education Code.
- 35 (26) \$9,531,000 or whatever greater or lesser amount of
36 the unexpended balance of the amount appropriated
37 for the After School Education and Safety Program
38 in the 2012–13 fiscal year pursuant to Section 8384.5
39 of the Education Code.

- 1 (27) \$100,000 or whatever greater or lesser amount of the
2 unexpended balance of the amount appropriated for
3 the Golden State Merit Diploma in Item 6110-679-
4 0001 pursuant to Section 47 of Chapter 204 of the
5 Statutes of 1996.
- 6 (28) \$45,757,000 or whatever greater or lesser amount of
7 the unexpended balance of the amount appropriated
8 for the Quality Education Investment Act of 2006 in
9 the 2012–13 fiscal year pursuant to Section 52055.780
10 of the Education Code.
- 11 (29) \$328,000 or whatever greater or lesser amount of the
12 unexpended balance of the amount appropriated for
13 Home to School Transportation, Small School District
14 Bus Replacement in Schedule (2) of Item 6110-111-
15 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- 16 (30) \$1,893,000 or whatever greater or lesser amount of
17 the unexpended balance of the amount appropriated
18 for Adults in Correctional Facilities in Item 6110-158-
19 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- 20 (31) \$100,000 or whatever greater or lesser amount of the
21 unexpended balance of the amount appropriated for
22 the Early Education Program for Individuals with
23 Exceptional Needs in Schedule (2) of Item 6110-161-
24 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- 25 (32) \$217,000 or whatever greater or lesser amount of the
26 unexpended balance of the amount appropriated for
27 “Clean” Technology Partnership Academies in
28 Schedule (2.5) of Item 6110-166-0001 of the Budget
29 Act of 2011 (Ch. 33, Stats. 2011).
- 30 (33) \$48,000 or whatever greater or lesser amount of the
31 unexpended balance of the amount appropriated for
32 Categorical Programs for New Schools in Item 6110-
33 212-0001 of the Budget Act of 2011 (Ch. 33, Stats.
34 2011).
- 35 (34) \$36,000 or whatever greater or lesser amount of the
36 unexpended balance of the amount appropriated for
37 Educational Services for Foster Youth in Item 6110-
38 119-0001 of the Budget Act of 2012 (Chs. 21 and 29,
39 Stats. 2012).

- 1 (35) \$13,000 or whatever greater or lesser amount of the
2 unexpended balance of the amount appropriated for
3 Assessment Review and Reporting in Schedule (1) of
4 Item 6110-113-0001 of the Budget Act of 2013 (Chs.
5 20 and 354, Stats. 2013).
- 6 (36) \$722,000 or whatever greater or lesser amount of the
7 unexpended balance of the amount appropriated for
8 Special Education Programs for Exceptional Children
9 in Schedule (1) of Item 6110-161-0001 of the Budget
10 Act of 2013 (Chs. 20 and 354, Stats. 2013).
- 11 (37) \$1,148,000 or whatever greater or lesser amount of
12 the unexpended balance of the amount appropriated
13 for Supplemental Instruction, Remedial, Grades 7–12
14 for the purposes of Section 37252 of the Education
15 Code in Schedule (1) of Item 6110-104-0001 of the
16 Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as
17 amended by Section 92 of Chapter 38 of the Statutes
18 of 2012.
- 19 (38) \$95,000 or whatever greater or lesser amount of the
20 unexpended balance of the amount appropriated for
21 Supplemental Instruction, Retained, or Recommended
22 for Retention, Grades 2–9, for the purposes of Section
23 37252.2 of the Education Code in Schedule (2) of
24 Item 6110-104-0001 of the Budget Act of 2012 (Chs.
25 21 and 29, Stats. 2012), as amended by Section 92 of
26 Chapter 38 of the Statutes of 2012.
- 27 (39) \$18,000 or whatever greater or lesser amount of the
28 unexpended balance of the amount appropriated for
29 Supplemental Instruction, Low STAR, Grades 2–6,
30 for the purposes of Section 37252.8 of the Education
31 Code in Schedule (3) of Item 6110-104-0001 of the
32 Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as
33 amended by Section 92 of Chapter 38 of the Statutes
34 of 2012.
- 35 (40) \$73,000 or whatever greater or lesser amount of the
36 unexpended balance of the amount appropriated for
37 Supplemental Instruction, Core Academic K–12, for
38 the purposes of Section 37253 of the Education Code
39 in Schedule (4) of Item 6110-104-0001 of the Budget

- 1 Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended
2 by Section 92 of Chapter 38 of the Statutes of 2012.
- 3 (41) \$6,600,000 or whatever greater or lesser amount of
4 the unexpended balance of the amount appropriated
5 for Child Development, Preschool Education in
6 Schedule (1) of Item 6110-196-0001 of the Budget
7 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 8 (42) \$974,000 or whatever greater or lesser amount of the
9 unexpended balance of the amount appropriated for
10 the After School Education and Safety Program in the
11 2013–14 fiscal year pursuant to Section 8483.5 of the
12 Education Code.
- 13 (43) \$38,000 or whatever greater or lesser amount of the
14 unexpended balance of the amount appropriated for
15 child nutrition programs in Item 6110-201-0001 of
16 the Budget Act of 2011 (Ch. 33, Stats. 2011).
- 17 (44) \$8,991,000 or whatever greater or lesser amount of
18 the unexpended balance of the amount appropriated
19 for special education in Schedule (3) of Item 6110-
20 485 of the Budget Act of 2011 (Ch. 33, Stats. 2011),
21 as amended by Section 7 of Chapter 575 of the
22 Statutes of 2012.
- 23 (45) \$3,000,000 or whatever greater or lesser amount of
24 the unexpended balance of the amount appropriated
25 for Adults in Correctional Facilities in Item 6110-158-
26 0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats.
27 2012).
- 28 (46) \$184,000 or whatever greater or lesser amount of the
29 unexpended balance of the amount appropriated for
30 adult education in Schedule (1) of Item 6110-156-
31 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011),
32 as amended by Section 50 of Chapter 7 of the Statutes
33 of 2011.
- 34 (47) \$41,000 or whatever greater or lesser amount of the
35 unexpended balance of the amount appropriated for
36 Specialized Secondary Programs in Item 6110-122-
37 0001 of the Budget Act of 2013 (Chs. 20 and 354,
38 Stats. 2013).
- 39 (48) \$10,225,000 or whatever greater or lesser amount of
40 the unexpended balance of the amount appropriated

for K–12 Mandated Programs Block Grant in Item 6110-296-0001 of the Budget Act of 2013 (Chs. 20 and 354, Stats. 2013).

(49) \$82,656,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Quality Education Investment Act of 2006 in the 2013–14 fiscal year pursuant to Section 52055.780 of the Education Code.

(50) \$73,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for adult education in Schedule (1) of Item 6110-156-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended by Section 92 of Chapter 38 of the Statutes of 2012.

Provisions:

1. The sum of \$5,546,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to support California School Information Services activities authorized pursuant to Schedule (1) of Item 6110-140-0001.
2. The sum of \$827,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to local educational agencies for activities authorized pursuant to Schedule (2) of Item 6110-140-0001.
3. The sum of \$15,096,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for apportionment to reimburse the 2013–14 Adults in Correctional Facilities Program activities authorized pursuant to Item 6110-158-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012). Of the amount appropriated in this provision, \$129,000 is to reflect a cost-of-living adjustment.
4. The sum of \$82,195,000 to the School Facilities Program for the purpose of funding the School Facilities

Emergency Repair Account pursuant to Chapter 899 of the Statutes of 2004.

7. The sum of \$113,351,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and charter schools in proportion to their average daily attendance reported as of the second principal apportionment for the 2013–14 fiscal year, for the purposes specified in subdivisions (c) and (d) of Section 17581.8 of the Government Code, and in augmentation of the funds provided in subdivision (a) of Section 17581.8 of the Government Code.
8. *The sum of \$12,890,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for apportionment for special education programs pursuant to Part 30 (commencing with Section 56000) of Division 4 of Title 2 of the Education Code.*
9. *The sum of \$26,689,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to the K-12 High-Speed Network for the activities authorized pursuant to provisional language in Item 6110-182-0001.*

SEC. 16. Item 6440-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6440-001-0001—For support of University of California..... 2,935,671,000

Schedule:

(1) Support..... 2,935,671,000

Provisions:

1. This appropriation is exempt from Sections 6.00 and 31.00.

- 1 2. (a) The Regents of the University of California shall
2 approve a plan that includes at least all of the
3 following:
- 4 (1) Projections of available resources in the
5 2015–16, 2016–17, and 2017–18 fiscal years.
6 In projecting General Fund appropriations
7 and student tuition and fee revenues, the
8 university shall use any assumptions provided
9 by the Department of Finance. The Depart-
10 ment of Finance shall provide any assump-
11 tions no later than August 1, 2014.
- 12 (2) Projections of expenditures in the 2015–16,
13 2016–17, and 2017–18 fiscal years and de-
14 scriptions of any changes to current opera-
15 tions necessary to ensure that expenditures
16 in each of those years are not greater than the
17 available resources projected for each of
18 those years pursuant to paragraph (1).
- 19 (3) Projections of resident and non-resident en-
20 rollment in the 2015–16, 2016–17, and
21 2017–18 academic years, assuming implemen-
22 tation of any changes described in paragraph
23 (2).
- 24 (4) The university’s goals for each of the perfor-
25 mance measures listed in subdivision (b) of
26 Section 92675 of the Education Code for the
27 2015–16, 2016–17, and 2017–18 academic
28 years, assuming implementation of any
29 changes described in paragraph (2). *It is the*
30 *intent of the Legislature that these goals be*
31 *challenging and quantifiable, address*
32 *achievement gaps for underrepresented*
33 *populations, and align the educational attain-*
34 *ment of California’s adult population to the*
35 *workforce and economic needs of the state,*
36 *pursuant to the legislative intent expressed*
37 *in Section 66010.93 of the Education Code.*
- 38 (b) The plan approved pursuant to subdivision (a)
39 shall be submitted, no later than November 30,
40 2014, to the Director of Finance, the chairpersons

of the committees in each house of the Legislature that consider the State Budget, the chairpersons of the budget subcommittees in each house of the Legislature that consider the budget for the University of California, the chairpersons of the committees in each house of the Legislature that consider appropriations, and the chairpersons of the policy committees in each house of the Legislature with jurisdiction over bills relating to the university. *The plan shall adhere to the goals included in Section 66010.91 of the Education Code.*

2.5. Of the funds appropriated in this item:

- (a) \$4,000,000 shall be used for the centers for labor research and education at the Berkeley and Los Angeles campuses. Of this amount, \$2,000,000 is one-time funding.
 - (b) \$2,000,000 is one-time funding and shall be used for the California Blueprint for Research to Advance Innovations in Neuroscience Act of 2014.
 - (c) \$770,000 shall be used for the Statewide Database.
3. (a) The University of California shall allocate from this appropriation the amount necessary to pay in full the fees anticipated to become due and payable during the fiscal year associated with lease-revenue bonds issued by the State Public Works Board on its behalf that have been defeased and the amount of general obligation bond debt service attributable to the university.
- (b) The Controller shall transfer funds from this appropriation upon receipt of the following reports:
- (1) The State Public Works Board shall report to the Controller the fees anticipated to become due and payable in the fiscal year associated with lease-revenue bonds that were issued on behalf of the university that have been defeased.
 - (2) The Department of Finance shall report to the Controller the amount of general obligation bond debt service anticipated to become

due and payable in the fiscal year attributable to the university.

- (3) The State Public Works Board or the Department of Finance shall submit a revised report if either entity determines that an amount previously reported to the Controller is inaccurate based on revised estimates or actual amounts. If necessary pursuant to any revised reports, the Controller shall return funds to this appropriation. Any returned funds that were previously transferred pursuant to this subdivision shall be available for expenditure until June 30, 2016.

4. Payments made by the state to the University of California for each month from July through April shall not exceed one-twelfth of the amount appropriated in this item, less the amount that is allocated pursuant to subdivision (a) of Provision 3. Transfers of funds pursuant to subdivision (b) of Provision 3 shall not be considered payments made by the state to the university.

5. The funds appropriated in this item shall not be available to support auxiliary enterprises or intercollegiate athletic programs.

SEC. 17. Item 6610-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6610-001-0001—For support of California State University.... 2,692,273,000

Schedule:

(1) Support..... 2,692,273,000

Provisions:

1. This appropriation is exempt from Sections 6.00 and 31.00 but is subject to the applicable sections of the Government Code referred to in subdivision (a) of Section 31.00.
2. (a) The Trustees of the California State University shall approve a plan that includes at least all of the following:

- 1 (1) Projections of available resources in the
2 2015–16, 2016–17, and 2017–18 fiscal years.
3 In projecting General Fund appropriations
4 and student tuition and fee revenues, the
5 university shall use any assumptions provided
6 by the Department of Finance. The Depart-
7 ment of Finance shall provide any assump-
8 tions no later than August 1, 2014.
- 9 (2) Projections of expenditures in the 2015–16,
10 2016–17, and 2017–18 fiscal years and de-
11 scriptions of any changes to current opera-
12 tions necessary to ensure that expenditures
13 in each of those years are not greater than the
14 available resources projected for each of
15 those years pursuant to paragraph (1).
- 16 (3) Projections of resident and non-resident en-
17 rollment in the 2015–16, 2016–17, and
18 2017–18 academic years, assuming implemen-
19 tation of any changes described in paragraph
20 (2). *It is the intent of the Legislature that*
21 *these goals be challenging and quantifiable,*
22 *address achievement gaps for underrepresent-*
23 *ed populations, and align the educational*
24 *attainment of California’s adult population*
25 *to the workforce and economic needs of the*
26 *state, pursuant to the legislative intent ex-*
27 *pressed in Section 66010.93 of the Education*
28 *Code.*
- 29 (4) The university’s goals for each of the perfor-
30 mance measures listed in subdivision (b) of
31 Section 89295 of the Education Code for the
32 2015–16, 2016–17, and the 2017–18 academ-
33 ic years, assuming implementation of any
34 changes described in paragraph (2).
- 35 (b) *The plan approved pursuant to subdivision (a)*
36 *shall be submitted, no later than November 30,*
37 *2014, to the Director of Finance, the chairpersons*
38 *of the committees in each house of the Legislature*
39 *that consider the State Budget, the chairpersons*
40 *of the budget subcommittees in each house of the*

1 *Legislature that consider the budget for the Cali-*
2 *fornia State University, the chairpersons of the*
3 *committees in each house of the Legislature that*
4 *consider appropriations, and the chairpersons of*
5 *the policy committees in each house of the Legis-*
6 *lature with jurisdiction over bills relating to the*
7 *university. The plan shall adhere to the goals in-*
8 *cluded in Section 66010.91 of the Education Code.*

- 9 3. (a) The California State University shall allocate from
10 this appropriation the amount necessary to pay in
11 full all amounts anticipated to become due and
12 payable during the fiscal year for rental, fees, and
13 insurance associated with lease-revenue bonds
14 issued by the State Public Works Board on its
15 behalf and general obligation bond debt service
16 attributable to the University.
17 (b) The Controller shall transfer funds from this ap-
18 propriation upon receipt of the following reports:
19 (1) The State Public Works Board shall report
20 to the Controller the rental, fees, and insur-
21 ance anticipated to become due and payable
22 in the fiscal year associated with its lease-
23 revenue bonds issued on behalf of the Univer-
24 sity.
25 (2) The Department of Finance shall report to
26 the Controller the amount of general obliga-
27 tion bond debt service anticipated to become
28 due and payable in the fiscal year attributable
29 to the University.
30 (3) The State Public Works Board or the Depart-
31 ment of Finance shall submit a revised report
32 if either entity determines that an amount
33 previously reported to the Controller is inac-
34 curate based on revised estimates or actual
35 amounts. If necessary pursuant to any revised
36 reports, the Controller shall return funds to
37 this appropriation. Any returned funds that
38 were previously transferred pursuant to this
39 subdivision shall be available for expenditure
40 until June 30, 2016.

4. Payments made by the state to the California State University for each month from July through April shall not exceed one-twelfth of the amount appropriated in this item, less the amount that is allocated pursuant to subdivision (a) of Provision 3. Transfers of funds pursuant to subdivision (b) of Provision 3 shall not be considered payments made by the state to the University.
5. Contributions to the Public Employees' Retirement Fund are charged to this appropriation pursuant to Section 20822 of the Government Code.
6. The Director of Finance has the authority to adjust this appropriation pursuant to Section 3.60, as well as Section 89762 of the Education Code.

SEC. 18. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98).....	3,130,232,000
Schedule:	
(1) 10.10.010-Apportionments.....	2,059,128,000
(3) 10.10.020-Apprenticeship.....	7,174,000
(3.5) 10.10.021-Apprenticeship Training and Instruction.....	15,694,000
(4) 10.10.030-Growth for Apportionments.....	140,385,000
(5) 20.10.004-Student Success for Basic Skills Students.....	20,037,000
(6) 20.10.005-Student Financial Aid Administration.....	69,421,000
(7) 20.10.020-Disabled Students.....	114,223,000
(8) 20.10.045-Special Services for CalWORKs Recipients.....	34,545,000
(9) 20.10.060-Foster Care Education Program.....	5,254,000
(10) 20.10.070-Matriculation.....	271,683,000
(11) 20.20.020-Academic Senate for the Community Colleges.....	468,000

1	(12) 20.20.041-Equal Employment Opportu-	
2	nity pursuant to Chapter 1169, Statutes	
3	2002.....	767,000
4	(13) 20.20.050-Part-time Faculty Health In-	
5	surance.....	490,000
6	(14) 20.20.051-Part-time Faculty Compensa-	
7	tion.....	24,907,000
8	(15) 20.20.055-Part-time Faculty Office	
9	Hours.....	3,514,000
10	(16) 20.30.011-Telecommunications and	
11	Technology Services.....	21,790,000
12	(17) 20.30.050-Economic Development....	72,929,000
13	(18) 20.30.070-Transfer Education and Ar-	
14	ticulation.....	698,000
15	(19) 20.40.026-Physical Plant and Instruc-	
16	tional Support.....	148,000,000
17	(20) 20.10.010-Extended Opportunity Pro-	
18	grams and Services and Special Ser-	
19	vices.....	88,605,000
20	(21) 20.30.045-Fund for Student Success....	3,792,000
21	(23) 20.80.010-Campus Child Care Tax	
22	Bailout.....	3,350,000
23	(24) 20.95.010-Nursing Program Support....	13,378,000
24	(25) 10.10.025-Adult Education.....	0
25	(26) 10.10.050-Expanding the Delivery of	
26	Courses through Technology.....	10,000,000
27	Provisions:	
28	1. The funds appropriated in this item are for transfer by	
29	the Controller during the 2014–15 fiscal year to Sec-	
30	tion B of the State School Fund.	
31	2. The funds appropriated in Schedule (1) for apportion-	
32	ments include \$31,409,000 to encourage district-level	
33	accountability efforts pursuant to Section 84754.5 of	
34	the Education Code. It is intended that the Office of	
35	the Chancellor of the California Community Colleges	
36	submit an annual report on district-specific account-	
37	ability measures by March 31 of each year. This report	
38	shall reflect the outcomes from the most recently	
39	completed fiscal year for which data is available pur-	
40	suant to Section 84754.5 of the Education Code.	

- 1 3. Notwithstanding any other provision of law, apportion-
2 ment funding for community college districts shall be
3 based on the greater of the current year or prior year
4 level of full-time equivalent students (FTES), consis-
5 tent with K–12 declining enrollment practices pursuant
6 to Section 42238.5 of the Education Code. Decreases
7 in FTES shall result in a revenue reduction at the dis-
8 trict’s average level of apportionment funding per
9 FTES and shall be made in the year following the ini-
10 tial year of decrease in FTES.
- 11 4. Of the funds appropriated in Schedule (1), Apportion-
12 ments:
 - 13 (a) Up to \$100,000 is for a maintenance allowance,
14 pursuant to Section 54200 of Title 5 of the Cali-
15 fornia Code of Regulations.
 - 16 (b) Up to \$500,000 is to reimburse colleges for the
17 costs of federal aid repayments related to assessed
18 fees for fee waiver recipients. This reimbursement
19 only applies to students who completely withdraw
20 from college before the census date pursuant to
21 Section 58508 of Title 5 of the California Code
22 of Regulations.
- 23 5. Notwithstanding any other provision of law, the
24 Chancellor of the California Community Colleges
25 shall not reduce district workload obligations for a
26 lack of a funded cost-of-living adjustment.
- 27 6. (a) The amount appropriated in Schedule (3) for the
28 Apprenticeship Program shall be available as
29 necessary upon certification by the Chancellor of
30 the California Community Colleges for the pur-
31 pose of funding community college-related and
32 supplemental instruction pursuant to Section 3074
33 of the Labor Code, as provided in Article 3
34 (commencing with Section 79140) of Chapter 9
35 of Part 48 of Division 7 of Title 3 of the Education
36 Code. No community college district shall use
37 funds available under this provision to offer any
38 new apprenticeship training program or the expan-
39 sion of any existing program unless the new pro-

gram or expansion has been approved by the chancellor.

- (b) Notwithstanding Article 3 (commencing with Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code, each 60-minute hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction as provided under Section 3074 of the Labor Code shall be reimbursed at the rate of \$5.04 per hour. For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.

7. Funds appropriated in Schedule (4), Growth for Apportionments, shall be available first to any districts bringing online newly accredited colleges or educational centers. It is the intent of the Legislature that increases in basic foundation allocations to each college be funded prior to additional growth in full-time equivalent students. The Chancellor of the California Community Colleges shall provide a report by November 1 of each year, to the Department of Finance and the Legislative Analyst, on the number of new centers and colleges added for the current fiscal year and those anticipated to be added for the prospective budget year. This report shall also detail the specific funding adjustments provided for basic foundation allocations to each college and center for the current fiscal year.

8. (a) Notwithstanding any other provision of law, funds appropriated in Schedule (4), Growth for Apportionments, shall only be allocated for growth in full-time equivalent students (FTES), on a district-by-district basis, as determined by the Chancellor of the California Community Colleges. The chancellor shall not include any FTES from concurrent enrollment in physical education, dance, recreation, study skills, and personal development courses and other courses in conflict with existing law for the purpose of calculating a district's three-year overcap adjustment.

- 1 (b) The Board of Governors of the California Com-
2 munity Colleges shall adopt criteria and an alloca-
3 tion formula for the funds appropriated in Sched-
4 ule (4), Growth for Apportionments, so as to en-
5 sure that access to courses in the California
6 Community Colleges' missions related to student
7 needs for transfer, basic skills and vocational/work-
8 force training are aligned to regional and commu-
9 nity needs to the maximum extent possible. When
10 formulating the allocation, the board of governors
11 shall consider, at minimum, the priorities as out-
12 lined in Section 84750.5 of the Education Code.
- 13 9. The funds appropriated in Schedule (5), Student Suc-
14 cess for Basic Skills Students, shall be allocated as
15 follows:
- 16 (a) \$969,000 for faculty and staff development to
17 improve curriculum, instruction, student services,
18 and program practices in the areas of basic skills
19 and English as a Second Language (ESL) pro-
20 grams. The Office of the Chancellor of the Cali-
21 fornia Community Colleges shall select a district,
22 utilizing a competitive process, to carry out these
23 faculty and staff development activities. All col-
24 leges receiving funds pursuant to subdivision (b)
25 shall be provided with the opportunity to partici-
26 pate in the faculty and staff development programs
27 specified in this subdivision. The chancellor shall
28 report on the use of these funds by the selected
29 district to the Legislative Analyst and the Depart-
30 ment of Finance not later than September 1 of
31 each year.
- 32 (b) \$19,068,000 for allocation by the chancellor to
33 community college districts for improving out-
34 comes of students who enter college needing at
35 least one course in ESL or basic skills, with par-
36 ticular emphasis on students transitioning from
37 high school.
- 38 (c) Funding specified in subdivisions (a) and (b) shall
39 be distributed to eligible applicants pursuant to
40 Chapter 489 of the Statutes of 2007.

(d) The Office of the Chancellor of the California Community Colleges shall work jointly with the Department of Finance and the Legislative Analyst to evaluate and refine, as necessary, the annual accountability measures for this program. It is the intent of the Legislature that annual performance accountability measures for this program utilize, to the extent possible, data available as part of the accountability system developed pursuant to Section 84754.5 of the Education Code. By September 1, 2010, the chancellor shall submit a report to the Governor and the Legislature on basic skills accountability using system- and college-level data and an annual report each year thereafter by September 1.

10. (a) Of the funds appropriated in Schedule (6) for Student Financial Aid Administration, not less than \$15,363,000 is available to provide \$0.91 per unit reimbursement to community college districts for the provision of board of governors (BOG) fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(b) Of the funds appropriated in Schedule (6), not less than \$15,532,000 is available for the Board Financial Assistance Program to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of BOG fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(c) Funding provided to community college districts in subdivisions (a) and (b) is provided to directly offset any mandated costs claimed by community college districts pursuant to Commission on State Mandates Test Claims 99-TC-13 (Enrollment Fee Collection) and 00-TC-15 (Enrollment Fee Waivers).

(d) (1) Of the amount appropriated in Schedule (6), \$2,800,000 shall be for a contract with a

community college district to conduct a statewide media campaign to promote the general message to prospective students as follows: (A) the California Community Colleges (CCC) remain affordable, (B) financial aid tax credits are available to cover enrollment fees and help with books and other costs, and (C) the active encouragement of contact between pupils and local CCC financial aid offices. Any funds used from this source to produce radio, television, or mail campaigns must emphasize the availability of financial aid, the easiest and most reliable method of accessing the aid, a contact telephone number, an Internet Web site address, where applicable, and the physical location of a financial aid office. Any mail campaign must give priority to existing pupils, recent high school graduates, and 12th graders. The outreach and information campaign should target its efforts in high schools, welfare offices, unemployment offices, churches, community centers, and any other location that will most effectively reach low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. The community college district awarded the contract shall consult with the Chancellor of the California Community Colleges and the Student Aid Commission prior to performing any activities to ensure appropriate coordination with any other state efforts in this area and ensure compliance with this provision.

- (2) Of the amount appropriated in Schedule (6), not more than \$34,200,000 shall be for direct contact with potential and current financial aid applicants. Each CCC campus shall receive a minimum allocation of \$50,000. The remainder of the funding shall be allocated

1 to campuses based upon a formula reflecting
2 full-time equivalent students (FTES)
3 weighted by a measure of low-income popu-
4 lations demonstrated by BOG fee waiver
5 program participation within a district. It is
6 the intent of the Legislature, to the extent that
7 funds are provided in this item, that all cam-
8 puses provide additional staff resources to
9 increase both financial aid participation and
10 student access to low-income and disadvan-
11 taged students who must overcome barriers
12 in accessing postsecondary education. Funds
13 may be used for screening current students
14 for possible financial aid eligibility and offer-
15 ing personal assistance to these students in
16 accessing financial aid, providing individual
17 help in multiple languages for families and
18 students in filling out the necessary paper-
19 work to apply for financial aid, and increas-
20 ing financial aid staff to process additional
21 financial aid forms.

- 22 (3) Funding provided to community college dis-
23 tricts in paragraph (2) is provided to offset
24 any mandated costs claimed by community
25 college districts pursuant to the Commission
26 on State Mandates Test Claims 02-TC-28
27 (Cal Grants) and 02-TC-21 (Tuition Fee
28 Waivers).
- 29 (4) Funds allocated to a community college dis-
30 trict for financial aid personnel, outreach de-
31 termination of financial need, and delivery
32 of student financial aid services shall supple-
33 ment, and shall not supplant, the level of
34 funds allocated for the administration of stu-
35 dent financial aid programs during the
36 2001–02 or 2006–07 fiscal year, whichever
37 is greater.
- 38 (5) It is the intent of the Legislature that the Of-
39 fice of the Chancellor of the California
40 Community Colleges provide the Legislature

1 with a report not later than April 1 of each
2 year on the use of the funds allocated pur-
3 suant to paragraphs (1) and (2), including the
4 distribution of the funds, specific uses of the
5 funds, strategies employed to reach low-in-
6 come and disadvantaged students potentially
7 eligible for financial aid, and the extent to
8 which districts were successful in increasing
9 the number of students accessing financial
10 aid, particularly the maximum Pell Grant
11 award.

12 (6) It is the intent of the Legislature that the
13 chancellor report by May 15 of each year, in
14 the manner and using the factors set forth in
15 paragraph (5) of subdivision (c) of Provision
16 11 of Item 6870-101-0001 of the Budget Act
17 of 2007 (Chs. 171 and 172, Stats. 2007), on
18 the impact of outreach efforts on student
19 headcount and FTES enrollment for the
20 2009–10 and 2010–11 academic years.

21 (e) Notwithstanding subdivision (m) of Section 76300
22 of the Education Code or any other provision of
23 law, the amount of funds appropriated for the
24 purpose of administering fee waivers for the
25 2014–15 fiscal year shall be determined in this
26 act.

27 11. (a) The funds appropriated in Schedule (7) for the
28 Disabled Students Program are for assisting dis-
29 tricts in funding the excess direct instructional
30 cost of providing special support services or in-
31 struction, or both, to disabled students enrolled at
32 community colleges, and for state hospital pro-
33 grams, as mandated by federal law.

34 (b) Of the amount appropriated in Schedule (7), no
35 less than \$3,945,000 shall be used to address de-
36 ficiencies identified by the federal Office for
37 Civil Rights (OCR), as determined by the Office
38 of the Chancellor of the California Community
39 Colleges.

- 1 (c) Of the amount appropriated in Schedule (7), at
2 least \$943,000 shall be used for support of the
3 High Tech Centers for activities including, but
4 not limited to, training of district employees, staff,
5 and students in the use of specialized computer
6 equipment for the disabled. All High Tech Centers
7 shall meet standards developed by the Office of
8 the Chancellor of the California Community
9 Colleges. Colleges that receive these augmenta-
10 tions shall not supplant existing resources provid-
11 ed to the centers.
- 12 (d) Notwithstanding any other provision of law, of
13 the funds appropriated in Schedule (7), ~~\$1,702,000~~
14 *\$1,000,000* shall be for state hospital adult educa-
15 tion programs at the hospitals served by the Coast
16 and Kern Community College Districts since the
17 1986–87 fiscal year. If adult education services
18 at any of the two hospitals are not supported by
19 the community colleges in any portion of the
20 2014–15 fiscal year, remaining funds shall, upon
21 order of the Department of Finance, after 30 days’
22 notice to the Chairperson of the Joint Legislative
23 Budget Committee, be transferred to the State
24 Department of Developmental Services (DDS).
25 For any transfer of funds to DDS during the
26 2014–15 fiscal year, the Proposition 98 base
27 funding levels for community colleges and DDS
28 shall be adjusted accordingly.
- 29 (e) Of the funds appropriated in Schedule (7) for the
30 Disabled Student Services, no less than
31 \$9,600,000 shall be allocated to support high-cost
32 sign language interpreter services and real-time
33 captioning equipment or other communication
34 accommodations for hearing-impaired students
35 based on a 4-to-1 state-to-local district match.
- 36 12. The funds appropriated in Schedule (8), Special Ser-
37 vices for CalWORKs Recipients, are for the purpose
38 of assisting welfare recipient students and those in
39 transition off of welfare to achieve long-term self-
40 sufficiency through coordinated student services of-

1 fered at community colleges, including workstudy,
2 other educational related work experience, job place-
3 ment services, child care services, and coordination
4 with county welfare offices to determine eligibility
5 and availability of services. All services funded in
6 Schedule (8) shall be for current CalWORKs recipients
7 or prior CalWORKs recipients who are in transition
8 off of cash assistance for no more than two years.
9 Current cash-assistance recipients may utilize these
10 services until their initial educational objectives are
11 met. Former recipients in transition off of cash assis-
12 tance may utilize these services for a period of up to
13 two years after leaving cash assistance subject to the
14 conditions of this provision. These funds shall be used
15 to supplement and not supplant existing funds and
16 services provided for CalWORKs recipients attending
17 community colleges. The Chancellor of the California
18 Community Colleges shall develop an equitable
19 method for allocating funds to all districts and colleges
20 based on the relative numbers of CalWORKs recipients
21 in attendance and shall allocate funds for the following
22 purposes:

- 23 (a) Job placement.
- 24 (b) Coordination with county welfare offices and
- 25 other local agencies, including local workforce
- 26 investment boards.
- 27 (c) Curriculum development and redesign.
- 28 (d) Child care and workstudy.
- 29 (e) Instruction.
- 30 (f) Postemployment skills training and related skills.
- 31 (g) Campus-based case management, limited to on-
- 32 campus assistance and services not provided by
- 33 county case workers that do not supplant other
- 34 counseling and academic support services funded
- 35 through existing California Community Colleges
- 36 categorical programs.

37 Of the amount appropriated in Schedule (8),
38 \$9,188,000 is for child care and does not require a
39 district match. For the remaining funds, districts shall,

1 as a condition of receipt of these funds, provide a \$1
2 match for every \$1 provided by the state.

3 Funds utilized for subsidized child care shall be for
4 children of CalWORKs recipients through campus-
5 based centers or parental choice vouchers at rates and
6 with rules consistent with those applied to related
7 programs operated by the State Department of Educa-
8 tion in the 2014–15 fiscal year, including eligibility,
9 reimbursement rates, and parental contribution
10 schedules. Subsidized campus child care for Cal-
11 WORKs recipients may be provided during the period
12 they are engaged in qualifying state and federal work
13 activities through attainment of their initial education
14 and training plan and for up to three months thereafter
15 or until the end of the academic year, whichever period
16 of time is greater.

17 Funds utilized for workstudy shall be used solely
18 for payments to employers that currently participate
19 in campus-based workstudy programs or are providing
20 work experiences that are directly related to and in
21 furtherance of student educational programs and work
22 participation requirements, provided that those pay-
23 ments may not exceed 75 percent of the wage for the
24 workstudy positions, and the employers shall pay at
25 least 25 percent of the wage for the workstudy posi-
26 tions. These funds may be expended only if the total
27 hours of education, employment, and workstudy for
28 the student are sufficient to meet state or federal min-
29 imum requirements for qualifying work-related activ-
30 ities.

31 Funds may be used to provide credit or noncredit
32 classes for CalWORKs students if a district has com-
33 mitted all of its funded full-time equivalent students
34 (FTES) and is unable to offer the additional instruc-
35 tional services to meet the demand for CalWORKs
36 students. This determination shall be based on fall
37 enrollment information. Districts shall submit applica-
38 tions to the office of the chancellor by December 1 of
39 each year. If the chancellor approves the use of funds
40 for direct instructional workload, the Office of the

1 Chancellor shall submit a report to the Department of
2 Finance and the Joint Legislative Budget Committee
3 by February 15 of each year that (a) identifies the en-
4 rollment of new CalWORKs students, (b) states
5 whether and why additional classes were needed to
6 accommodate the needs of CalWORKs students, and
7 (c) sets forth an expenditure plan for the balance of
8 funds.

9 As a condition of receipt of the funds appropriated
10 in Schedule (8), by the fourth week following the end
11 of the semester or quarter term commencing in January
12 2015, participating community districts and colleges
13 shall submit to the office of the chancellor a report, in
14 the format specified by the chancellor in consultation
15 with the State Department of Social Services, that in-
16 cludes, but is not limited to, the funded components,
17 the number of hours of child care provided, the average
18 monthly enrollment of CalWORKs dependents served
19 in child care, the number of workstudy hours provided,
20 the hourly salaries and type of jobs, the number of
21 students being case managed, the short-term programs
22 available, the student participation rates, and other
23 outcome data. It is intended that, to the extent practi-
24 cable, reporting from colleges utilize data gathered for
25 federal reporting requirements at the state and local
26 level. Further, it is intended that the office of the
27 chancellor compile the information for annual reports
28 to the Legislature, the Governor, the Legislative Ana-
29 lyst, the Department of Finance, and the State Depart-
30 ment of Social Services by February 15 of each year.

31 First priority for expenditures of any funds appropri-
32 ated in Schedule (8) shall be in support of current
33 CalWORKs recipients. However, if caseloads are in-
34 sufficient to fully utilize all of the funding in this
35 schedule in a cost-beneficial way, it is intended that
36 up to \$5,000,000 of the funds subject to local matching
37 requirements may be allocated for providing postem-
38 ployment services to former CalWORKs recipients
39 who have been off of cash assistance for no longer
40 than two years to assist them in upgrading skills, job

1 retention, and advancement. Allowable services in-
2 clude direct instruction that cannot be funded under
3 available growth funding, child care to support atten-
4 dance in these classes consistent with this provision,
5 job development and placement services, and career
6 counseling and assessment activities that cannot be
7 funded through other programs. Child care services
8 may only be provided for periods commensurate with
9 a student's need for postemployment training within
10 the two-year transitional period.

11 Prior to allocation of funds for postemployment
12 services, the chancellor shall first secure the approval
13 of the Department of Finance for the allocations,
14 complete a cumulative report on the outcomes, activi-
15 ties, and cost-effectiveness of the program no later
16 than February 15 of each year in compliance with the
17 Budget Act of 1998 (Ch. 324, Stats. 1998) and the
18 Budget Act of 1999 (Ch. 50, Stats. 1999) and this act,
19 and shall provide the rationale and justification for the
20 proposed allocation of postemployment services to
21 districts for transitional students.

22 If a district is unable to fully expend its share of child
23 care funds, it may request that the Office of the
24 Chancellor approve a reallocation to other CalWORKs
25 purposes authorized by this provision, subject to all
26 pertinent limitations and district match required for
27 these purposes under this provision.

28 Of the funds appropriated in Schedule (8) for the
29 Special Services for CalWORKs Recipients Program,
30 no less than \$4,900,000 is to provide direct workstudy
31 wage reimbursement for students served under this
32 program, and \$613,000 is available for campus job
33 development and placement services.

- 34 13. Funds appropriated in Schedule (8) for the Special
35 Services for CalWORKs Recipients Program have
36 been budgeted to meet the state's Temporary Assis-
37 tance for Needy Families maintenance-of-effort require-
38 ment pursuant to the federal Personal Responsibility
39 and Work Opportunity Reconciliation Act of 1996
40 (P.L. 104-193) and may not be expended in any way

1 that would cause their disqualification as a federally
2 allowable maintenance-of-effort expenditure.

3 14. (a) Funds provided in Schedule (9) for the Foster
4 Care Education Program shall be allocated to
5 provide foster and relative/kinship care education
6 and training. Districts shall ensure that education
7 and training required by Sections 1529.1 and
8 1529.2 of the Health and Safety Code and Section
9 16003 of the Welfare and Institutions Code re-
10 ceive priority. Districts may use any remaining
11 funds for additional parenting skills training.

12 (b) Funds provided in Schedule (9) shall be used for
13 foster parent and relative/kinship care provider
14 education training services consistent with the
15 following criteria:

16 (1) The Chancellor of the California Community
17 Colleges shall use these funds exclusively
18 for foster parent and relative/kinship care
19 provider education and training, as specified
20 by the chancellor in consultation with an ad-
21 visory committee that includes foster parents,
22 representatives of statewide foster parent or-
23 ganizations, parent and relative/kinship care
24 providers, and representatives from the State
25 Department of Social Services.

26 (2) Acceptance of funds under this program shall
27 constitute agreement by the district to comply
28 with such reporting requirements, guidelines,
29 and other conditions for receipt of funding
30 as the chancellor may establish.

31 (3) Each college plan for foster and relative/kin-
32 ship care education programs shall include
33 the provision of training to facilitate the de-
34 velopment of foster family homes, small
35 family homes, and relative/kinship homes to
36 care for no more than six children who have
37 special mental, emotional, developmental, or
38 physical needs.

39 (4) The State Department of Social Services shall
40 facilitate the participation of county welfare

- 1 departments in the foster and relative/kinship
2 care education program.
- 3 15. (a) Funds appropriated in Schedule (10) for the Ma-
4 triculation Program are for the purpose of student
5 matriculation pursuant to Article 1 (commencing
6 with Section 78210) of Chapter 2 of Part 48 of
7 Division 7 of Title 3 of the Education Code.
- 8 (b) Of the amount appropriated in Schedule (10),
9 \$9,381,000 shall be allocated to community col-
10 lege districts on a one-to-one matching funds basis
11 to provide matriculation services, including, but
12 not limited to, orientation, assessment, and coun-
13 seling, for students enrolled in designated noncred-
14 it classes and programs who may benefit most, as
15 determined by the Chancellor of the California
16 Community Colleges pursuant to Sections 78216
17 and 78218 of the Education Code.
- 18 (c) Of the funds appropriated in Schedule (10), up to
19 \$14,000,000 may be used by the Chancellor of
20 the California Community Colleges for the pur-
21 pose of procuring or developing E-Transcript, E-
22 Planning, and common assessment tools. Prior to
23 the expenditure of these funds, the Chancellor of
24 the California Community Colleges shall submit
25 a proposed expenditure plan to the Department
26 of Finance and to the Joint Legislative Budget
27 Committee.
- 28 (d) (1) Notwithstanding any other provision of law,
29 of the amount appropriated in Schedule (10),
30 ~~\$100,000,000~~ \$70,000,000 shall be for the
31 purpose of supporting the activities necessary
32 to successfully implement the activities and
33 goals as detailed in the Student Equity Plans,
34 pursuant to Subchapter 4 (commencing with
35 Section 54220) of Chapter 5 of Division 6 of
36 Title 5 of the California Code of Regulations,
37 in coordination with the Student Success and
38 Support Program plans, pursuant to Section
39 78216 of the Education Code, and the Student

Success Scorecard, pursuant to Section 84754.5 of the Education Code.

(2) The Chancellor of the California Community Colleges shall allocate these funds to districts in a manner that ensures districts with a greater proportion or number of students who are high need, as determined by the Office of the Chancellor, receive greater resources to provide services to these students.

(3) As a condition of receipt of these funds, the districts are required to include in their Student Equity Plan how they will coordinate existing student support services in a manner to better serve their high-need student populations. At a minimum, their plan shall demonstrate alignment of services funded through allocations from Schedules (5), (6), (7), (8), (10), (20), and (21).

(e) (1) Of the amount appropriated in Schedule (10), up to \$2,500,000 may be used by the Chancellor of the California Community Colleges for the purpose of providing technical assistance to districts that demonstrate low performance in any area of operations. It is the intent of the Legislature that technical assistance providers be contracted in a cost-effective manner, that they primarily consist of experts who are current and former employees of the California Community Colleges, and that they provide technical assistance in a manner that is consistent with the vision for the California Community Colleges. Beginning in the 2015–16 fiscal year, the Chancellor of the California Community Colleges shall provide a report of prior year use of these funds, including whether they were used in accordance with the aforementioned legislative intent, to the Department of Finance and the Joint Legislative Budget

- 1 Committee no later than October 1 of each
2 year.
- 3 (2) Technical assistance initiated by the Chancel-
4 lor of the California Community Colleges
5 may be provided at no cost to the district.
6 Technical assistance requested by the district
7 shall require at least a \$1 match for every \$2
8 provided by the state, as determined by the
9 Office of the Chancellor.
- 10 16. The funds in Schedule (14) for the Part-time Faculty
11 Compensation Program shall be allocated solely to
12 increase compensation for part-time faculty from the
13 amounts previously authorized. Funds shall be distribut-
14 ed to districts based on the total actual full-time
15 equivalent students served in the previous fiscal year
16 and include a small district factor as determined by
17 the Chancellor of the California Community Colleges.
18 These funds are to be used to assist districts in making
19 part-time faculty salaries more comparable to full-time
20 salaries for similar work, as determined through each
21 district's local collective bargaining process. These
22 funds shall not supplant the amount of resources each
23 district used to compensate part-time faculty or be
24 used to exceed parity of each part-time faculty em-
25 ployed by each district with regular full-time faculty
26 at the same district, as certified by the chancellor. If
27 a district achieves parity, its allocation may be used
28 for any other educational purpose.
- 29 17. (a) \$20,651,000 of the funds provided in Schedule
30 (16) for the Telecommunications and Technology
31 Services Program shall be for the purpose of
32 supporting technical and application innovations
33 and for coordination of activities that serve to
34 maximize the utility of the technology investments
35 of the community college system towards improv-
36 ing learning outcomes. Allocations shall be made
37 by the Chancellor of the California Community
38 Colleges, based on criteria and guidelines as de-
39 veloped by the chancellor, on a competitive basis

through the RFA/RFP application process for the following purposes:

- (1) Provision of access to statewide multimedia hosting and delivery services for state colleges and districts.
- (2) Provision of systemwide Internet, audio bridging, and telephony.
- (3) Technical assistance and planning, cooperative purchase agreements, and faculty and staff development in a manner consistent with paragraph (3) of subdivision (b) of Provision 17 of Item 6870-101-0001 of the Budget Act of 1996 (Ch. 162, Stats. 1996).
- (4) Ongoing support for the California Virtual Campus Distance Education Program.
- (5) Ongoing support for programs designed to use technology in assisting accreditation and the alignment of curricula across K–20 segments in California.
- (6) Support for technology pilots and ongoing technology programs and applications that serve to maximize the utility and economy of scale of the technology investments of the community college system towards improving learning outcomes.
- (7) Support for the Student Friendly Services Program.

In addition, a portion of the funds provided in this subdivision shall be available for allocations to districts. It is the intent of the Legislature that these funds be used by colleges to maintain the technology capabilities specified in subdivision (a) of Provision 21 of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003). These funds shall not supplant existing funds used for those purposes, and colleges shall match maintenance and ongoing costs with other funds as provided by subdivision (a) of Provision 21 of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

(b) The Office of the Chancellor of the California Community Colleges shall develop the reporting criteria for all programs funded by this item and shall submit that for review along with an annual progress report on program implementation to the Legislative Analyst and the Department of Finance no later than December 1 of each year. Reporting shall include summaries of allocations and expenditures by program and by district, where applicable.

(c) Of the funds provided in Schedule (16), \$1,139,000 is for ongoing support and expansion of the California Partnership for Achieving Student Success (Cal-PASS) program. As a condition of receipt of these funds, the grantee shall submit to the office of the chancellor, by October 15 of each year, all of the following: (1) a report that includes the numbers and percentages of institutions and school districts that have signed agreements and the number and percentage that have actively submitted data in the current year and (2) an annual financial audit, as prescribed by the chancellor, that includes an accounting of all funding sources and all uses of funds by funding source. The report and audit also shall be submitted to the Legislative Analyst, the Department of Finance, and the appropriate budget subcommittees of the budget committees of each house of the Legislature. It is the intent of the Legislature that all reporting requirements contained in this subdivision shall be completed using funds provided to the grantee.

18. Of the amount appropriated in Schedule (17) for the Economic and Workforce Development Program, pursuant to Part 52.2 (commencing with Section 88600) of Division 7 of Title 3 of the Education Code, the following shall apply:

(a) Up to 10 percent may be allocated for state level technical assistance activities in support of the intent of Chapter 361 of the Statutes of 2012, in-

cluding statewide network leadership, organizational development, coordination, information and support services, or other program purposes. Any augmentation to state level activities funding is subject to approval of the Department of Finance, not sooner than 30 days after the notification in writing to the chairpersons of the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

- (b) All remaining funds shall be allocated for programming that target investment at priority and emergent sectors, including statewide and/or regional centers, hubs, collaborative communities, advisory bodies, and short-term grants. Short-term grants can include industry-driven regional education and training, Responsive Incumbent Worker Training, and Job Development Incentive Training.
- (c) Prior to the expenditure of these funds, the Chancellor of the California Community Colleges shall submit a proposed expenditure plan and the rationale therefor, to the Department of Finance for approval. The expenditure plan shall include the following:
 - (1) A statewide and regional delivery system.
 - (2) A targeting of investments to competitive and emergent sectors important to regional economies as well as use of short-term grants to meet employer-driven training needs.
 - (3) Program support to increase the impact of college career technical education (CTE) programs (including contextualized CTE programs) on regional economies; statewide accountability data collection and performance evaluation; statewide training, development, and coordination; labor market research; and continuous program improvements.

- 1 (d) The following provisions apply to the expendi-
2 tures of these funds:
- 3 (1) Funds applied to performance-based training
4 shall be matched by a minimum of \$1 of pri-
5 vate business and industry funding for each
6 \$1 of state funds. The Chancellor of the Cal-
7 ifornia Community Colleges shall consider
8 the level of involvement and financial com-
9 mitments of business and industry in making
10 awards for performance-based training.
- 11 (2) Funds allocated by the Chancellor of the
12 California Community Colleges under this
13 program may not be used by community
14 college districts to supplant existing contract
15 education offerings. The chancellor shall ensure
16 that funds are spent only for expanded
17 services and shall implement accountability
18 reporting for districts receiving these funds
19 to ensure that training, credit, and noncredit
20 programs remain relevant to business needs.
- 21 (3) Any funds that become available due to sav-
22 ings, discontinuance, or reduction of amounts
23 shall be evaluated against labor market needs
24 and regional economies for reallocation
25 within the economic and workforce develop-
26 ment program.
- 27 (e) Fiscal agents of program funds intended to serve
28 statewide or regional functions do not have author-
29 ity to flex program funds. The Office of the
30 Chancellor may adjust allocations, as necessary,
31 to preclude this action.
- 32 (f) (1) \$50,000,000 of the funds appropriated in
33 Schedule (17) shall be provided on a one-time
34 basis to create greater incentive for California
35 Community Colleges to develop, enhance,
36 retool, and expand quality career technical
37 education offerings that build upon existing
38 community college regional capacity to re-
39 spond to regional labor market needs. Funds
40 may be used for equipment, curriculum devel-

opment, professional development, and other related costs necessary to develop, enhance, retool, and expand quality career technical education offerings.

(2) The Chancellor of the California Community Colleges shall allocate these funds to the community college regions based on a formula that factors in the total number of full-time equivalent students, including full-time equivalent students in career technical education courses. The Chancellor of the California Community Colleges shall, in consultation with community colleges within each region, designate either the district then serving as the fiscal agent for the regional consortia or an alternative district to serve as the fiscal agent for these funds.

(3) The funds shall be distributed by the fiscal agent to the California Community College districts within the region for career technical education programs that are developed with industry input, matched by industry resources, and adopted by faculty upon certification by the regional consortia. The courses or programs of study for which the funds are requested shall meet all of the following criteria:

- (A) Be for occupations and sectors that are demonstrated to be in demand in the regional labor market.
 - (B) Be for occupations for which regional production of employees is insufficient to meet labor market demand.
 - (C) Demonstrate regional alignment of program and curricula.
- (4) Priority for funding shall go to programs that meet all of the criteria listed in paragraph (3) and that meet one or more of the following criteria:

- 1 (A) Are in priority sectors identified by the re-
- 2 gion.
- 3 (B) Are in emerging sectors identified by the re-
- 4 gion.
- 5 (C) Are articulated with K-12 or four year insti-
- 6 tutions.
- 7 (5) Individual colleges and districts shall be re-
- 8 sponsible for identifying eligible programs
- 9 and their faculty, implementing courses and
- 10 programs to meet regional capacity needs,
- 11 participating in regional coordination efforts,
- 12 articulating with K-12 and four year institu-
- 13 tions, and submitting outcome data to the
- 14 Chancellor of the California Community
- 15 Colleges.
- 16 (6) The regional consortia shall be responsible
- 17 for certifying labor market demand with input
- 18 from regional employers and essential work-
- 19 force and economic development partners,
- 20 prioritizing investment of funds according to
- 21 industry sections and occupations, and ensur-
- 22 ing regional coordination.
- 23 (7) The district designated as the fiscal agent in
- 24 each region shall be responsible for distribut-
- 25 ing the funds to each district within its region
- 26 following certification by the regional consor-
- 27 tia that the courses and programs submitted
- 28 by the districts and colleges for funding meet
- 29 the criteria listed in this subdivision (f).
- 30 (8) The Chancellor of the California Community
- 31 Colleges shall be responsible for administer-
- 32 ing the distribution of funds to the fiscal
- 33 agents for each region and monitoring
- 34 progress toward meeting regional and
- 35 statewide career technical education needs.
- 36 19. (a) The funds appropriated in Schedule (18) for the
- 37 Transfer Education and Articulation Program are
- 38 available to support transfer and articulation
- 39 projects and common course numbering projects.

(b) Funding provided to community college districts from Schedule (18) is provided to directly offset any mandated costs claimed by community college districts pursuant to Chapter 737 of the Statutes of 2004.

20. (a) Any funds appropriated in Schedule (19) are available for the following purposes:

(1) Scheduled maintenance and special repairs of facilities. The Chancellor of the California Community Colleges shall allocate funds to districts on the basis of actual reported full-time equivalent students (FTES), and may establish a minimum allocation per district. As a condition for receiving and expending these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance spending from the 1995–96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district.

(2) Hazardous substances abatement, cleanup, and repairs.

(3) Architectural barrier removal projects that meet the requirements of the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.) and seismic retrofit projects limited to \$400,000. ~~Districts that receive funds for architectural barrier removal projects shall provide a \$1 match for every \$1 provided by the state.~~

(b) Any funds appropriated in Schedule (19) are available for replacement of instructional equipment and library materials. The funds provided for instructional equipment and library materials shall not be used for personal services costs or operating expenses. The chancellor shall allocate funds to districts on the basis of actual reported

FTES and may establish a minimum allocation per district. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district.

(c) Any funds appropriated in Schedule (19) shall be available for one-time use in the 2014–15 fiscal year.

21. Of the funds appropriated in Schedule (20) for Extended Opportunity Programs and Services and Special Services, \$79,273,000 is for Extended Opportunity Programs and Services (EOPS) in accordance with Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. Funds provided in this item for EOPS shall be available to students on all campuses within the California Community Colleges system, including those students on new campuses or in new districts. In addition, \$9,332,000 is for funding, at all colleges, the Cooperative Agencies Resources for Education (CARE) program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The Board of Governors of the California Community Colleges shall allocate funds on a priority basis to local programs on the basis of need for student services.

22. Of the funds appropriated in Schedule (20) for the Extended Opportunity Programs and Services and Special Services, no less than \$4,972,000 shall be available to support additional textbook assistance grants to community college students as an allowable expenditure consistent with paragraph (10) of subdivision (b) of Section 69648 of the Education Code. In addition, these funds shall not supplant the amount of resources used for textbook grants in the 2001–02 fiscal year.

23. The funds appropriated in Schedule (21) for the Fund for Student Success are for additional targeted student services, to be expended as follows:

(a) \$1,183,000 is for the Puente Project to support up to 75 colleges. These funds are available if

1 matched by \$200,000 of private funds and the
2 participating community colleges and University
3 of California campuses maintain their 1995–96
4 fiscal year support level for the Puente Project.
5 All funding shall be allocated directly to partici-
6 pating districts in accordance with their participa-
7 tion agreement.

8 (b) Up to \$1,515,000 is for the Mathematics, Engi-
9 neering and Science Achievement (MESA) pro-
10 gram. For each \$1 allocated, the recipient district
11 shall provide \$1 in matching funds.

12 (c) No less than \$1,094,000 is for the Middle College
13 High School Program. With the exception of fully
14 compliant special part-time students at the com-
15 munity colleges pursuant to Sections 48802 and
16 76001 of the Education Code, student workload
17 based on participation in the Middle College High
18 School Program shall not be eligible for commu-
19 nity college state apportionment. Further, no
20 community college state apportionment shall be
21 made available for physical education classes,
22 noncredit classes, nor other courses specified in
23 Provision 8.

24 24. Pursuant to Sections 69648.5, 78216, and 84850, and
25 subdivision (b) of Section 87108, of the Education
26 Code, the Board of Governors of the California Com-
27 munity Colleges may allocate funds appropriated in
28 Schedules (7), (10), (12), and (20) by grant or contract,
29 or through the apportionment process, to one or more
30 districts for the purpose of providing program evalua-
31 tion, accountability, monitoring, or program develop-
32 ment services, as appropriate under the applicable
33 statute.

34 25. The funds appropriated in Schedule (23) for the
35 Campus Child Care Tax Bailout shall be allocated by
36 the Chancellor of the California Community Colleges
37 to community college districts that levied child care
38 permissive override taxes in the 1977–78 fiscal year
39 pursuant to Sections 8329 and 8330 of the Education
40 Code in an amount proportional to the property tax

1 revenues, tax relief subventions, and state aid required
2 to be made available by the district to its child care
3 and development program for the 1979–80 fiscal year
4 pursuant to Section 30 of Chapter 1035 of the Statutes
5 of 1979, increased or decreased by any cost-of-living
6 adjustment granted in subsequent fiscal years. These
7 funds shall be used only for the purpose of community
8 college child care and development programs.

9 26. With regard to the funds appropriated in Schedule
10 (24), Nursing Program Support, all of the following
11 shall apply:

12 (a) \$8,475,000 shall be used to provide support for
13 nursing program enrollment and equipment needs
14 consistent with paragraph (2) of subdivision (a)
15 of Section 2 of Chapter 514 of the Statutes of
16 2001. Funding for nursing enrollment shall pro-
17 vide a marginal increase in funding in addition to
18 the amount provided for each full-time equivalent
19 student for regular growth in apportionments.

20 (b) \$4,903,000 shall be used to provide diagnostic
21 and support services, preentry coursework, alter-
22 native program delivery model development, and
23 other services to reduce the incidence of student
24 attrition in nursing programs.

25 (c) Funds shall be allocated according to the follow-
26 ing criteria:

27 (1) The degree to which the funds provided
28 would be used to increase student enrollment
29 in nursing programs beyond the level of full-
30 time equivalent students served in the
31 2011–12 academic year.

32 (2) The district’s level of attrition from nursing
33 programs and the suitability of planned ex-
34 penditures to address attrition levels.

35 (3) The degree to which funds provided would
36 be used to support infrastructure or equip-
37 ment needs with the intent of building capac-
38 ity and increasing the number of nursing
39 students served.

- 1 (4) For districts with attrition rates of 15 percent
- 2 or more, new funding shall focus on attrition
- 3 reduction. For districts with attrition rates
- 4 below 15 percent, new funding shall focus
- 5 on enrollment expansion.
- 6 (d) On or before March 1 of each year, the Chancellor
- 7 of the California Community Colleges shall pro-
- 8 vide the Legislature and the Department of Fi-
- 9 nance with a report on the allocation of funding.
- 10 For each district receiving funding under this item,
- 11 the report shall include all of the following: (1)
- 12 the amount of funding received, (2) the number
- 13 of nursing full-time equivalent students served in
- 14 the 2006–07 academic year, and the additional
- 15 number of nursing full-time equivalent students
- 16 served with funding provided in this item in each
- 17 subsequent year, (3) the district’s attrition and
- 18 completion rates in the 2006–07 academic year
- 19 and subsequent years, (4) any equipment or infras-
- 20 tructure-related items acquired with the funds
- 21 appropriated in this item, and (5) the number of
- 22 new and existing faculty receiving annual stipend
- 23 awards.
- 24 27. Notwithstanding any other provision of law, the
- 25 Chancellor of the California Community Colleges
- 26 shall allocate categorical funds as specified in legisla-
- 27 tion enacted in 2009 and as amended in 2010. Pursuant
- 28 to the conditions specified in that legislation, districts
- 29 may utilize funds allocated from Schedules (11), (12),
- 30 (13), (14), (15), (17), (18), and (23) as further specified
- 31 in that legislation. Notwithstanding this provision and
- 32 subdivision (b) of Section 84043 of the Education
- 33 Code, the chancellor may adjust allocations, as neces-
- 34 sary, for funding provided pursuant to Schedules (11),
- 35 (17), and (18) in support of statewide or regional
- 36 functions.
- 37 28. Funding provided to community college districts in
- 38 Schedule (1) is provided to directly offset any mandat-
- 39 ed costs claimed by community college districts for
- 40 the Minimum Conditions for State Aid (02-TC-25 and

02-TC-31) mandated program as determined by the
Commission on State Mandates.

29. (a) The amount appropriated in Schedule (3.5) for
the Apprenticeship Training and Instruction shall
be available as necessary upon certification by
the Chancellor of the California Community
Colleges for the purpose of funding local educa-
tional agency related and supplemental instruction
pursuant to Section 3074 of the Labor Code, as
provided in Article 8 (commencing with Section
8150) of Chapter 1 of Part 6 of Division 1 of Title
1 of the Education Code. A local educational
agency shall not use funds available under this
provision to offer any new apprenticeship training
program or the expansion of any existing program
unless the new program or expansion has been
approved by the Division of Apprenticeship
Standards.

(b) Notwithstanding Article 8 (commencing with
Section 8150) of Chapter 1 of Part 6 of Division
1 of Title 1 of the Education Code, each hour of
teaching time devoted to each indentured appren-
tice enrolled in and attending classes of related
and supplemental instruction, as provided pur-
suant to Section 3074 of the Labor Code, shall be
reimbursed at the rate of \$5.04 per hour. For pur-
poses of this provision, each hour of teaching time
may include up to 10 minutes for passing time
and breaks.

30. (a) The amount appropriated in Schedule (26) for
Expanding the Delivery of Courses through
Technology shall be allocated to the Chancellor
of the California Community Colleges and used
to increase the number of courses available to
matriculated undergraduates, and, to the extent
possible, high school students seeking college
credits, through the use of technology and to
provide alternative methods for students to earn
college credit. For online-only courses, the chan-
cellor shall ensure, to the extent possible, that the

courses selected for this purpose can be articulated across all community college districts and shall additionally ensure that students enrolling and successfully completing these courses are granted degree-applicable cross-campus transfer credit. The chancellor shall also ensure that these online-only courses are made available to students systemwide, regardless of the campus where they are enrolled. The Legislature's intent is to maximize the development of online courses available across campuses to alleviate shortages of certain core courses at certain campuses.

- (b) These funds shall be used for those courses that have the highest demand, fill quickly, and are prerequisites for many different degrees. By March 1, 2015, the chancellor shall submit a report to the Department of Finance and the Joint Legislative Budget Committee detailing the use of these funds and any outcomes that may be attributed to their use. The report shall include the proposed use of these funds in the 2015–16 fiscal year.

- 31. The Chancellor of the California Community Colleges shall report annually to both the Department of Finance and the Joint Legislative Budget Committee, no later than September 30, on the status of recouping funds owed to the state from the Desert Community College District.

SEC. 19. Item 7100-001-0514 of Section 2.00 of the Budget Act of 2014 is amended to read:

7100-001-0514—For support of Employment Development Department, for payment to Item 7100-001-0870, payable from the Employment Training Fund.....	63,193,000
	73,193,000
Provisions:	
1. Upon order of the Director of Finance, funds disencumbered from Employment Training Fund training contracts during the 2014–15 fiscal year that have not re-	

1 verted as of July 1, 2014, may be appropriated in
2 augmentation of this item.

- 3 2. Notwithstanding subparagraph (B) of paragraph (2)
4 of subdivision (a) of Section 10206 of the Unemploy-
5 ment Insurance Code, the Employment Training Pan-
6 el's administrative costs may exceed 15 percent of the
7 amount appropriated in this item.

8
9 *SEC. 20. Item 7100-001-0870 of Section 2.00 of the Budget*
10 *Act of 2014 is amended to read:*

11		
12	7100-001-0870—For support of Employment Development	
13	Department, payable from the Unemployment Administra-	
14	tion Fund—Federal.....	584,593,000
15	Schedule:	
16	(1) 10-Employment and Employment-Re-	
17	lated Services.....	180,765,000
18	(2) 21-Tax Collections and Benefit Pay-	
19	ments.....	810,781,000
20	(3) 22-California Unemployment Insurance	
21	Appeals Board.....	68,167,000
22	(4) 30.01-General Administration.....	52,969,000
23	(5) 30.02-Distributed General Administra-	
24	tion.....	-50,983,000
25	(6) 50-Employment Training Panel.....	60,632,000
26		70,632,000
27	(7) Reimbursements.....	-26,145,000
28	(8) Amount payable from the General	
29	Fund (Item 7100-001-0001).....	-68,962,000
30	(9) Amount payable from the Employment	
31	Development Department Benefit Au-	
32	dit Fund (Item 7100-001-0184).....	-11,677,000
33	(10) Amount payable from the Employ-	
34	ment Development Department	
35	Contingent Fund (Item 7100-001-	
36	0185).....	-117,185,000
37	(11) Amount payable from the Employment	
38	Training Fund (Item 7100-001-	
39	0514).....	-63,193,000
40		-73,193,000

- 1 (12) Amount payable from the Unemploy-
2 ment Compensation Disability Fund
3 (Item 7100-001-0588)..... -249,565,000
4 (13) Amount payable from the School Em-
5 ployees Fund (Item 7100-001-0908).... -1,011,000
6 Provisions:
7 1. Funds appropriated in this item are in lieu of the
8 amounts that otherwise would have been appropriated
9 pursuant to Section 1555 of the Unemployment Insur-
10 ance Code.
11 2. Provision 1 of Item 7100-001-0588 also applies to
12 funds appropriated in this item for the Unemployment
13 Insurance Program.
14 3. The Employment Development Department shall re-
15 port to the Director of Finance, the chairpersons of the
16 fiscal committees of both houses of the Legislature,
17 and the Legislative Analyst's Office by March 1, 2015,
18 on the year-to-date, broken out by month, Unemploy-
19 ment Insurance Program service levels as they relate
20 to all of the following: (a) the number and percentage
21 of initial claims for unemployment benefits processed
22 within three days of receipt; (b) the number and per-
23 centage of online inquiries responded to within five
24 days of receipt, (c) the number and percentage of eli-
25 gibility determinations scheduled within a timely
26 manner, and, (d) the number and percentage of tele-
27 phone calls responded to per week. In addition, the
28 report shall include any program or process efficiencies
29 identified by the department and how such efficiencies
30 impact resource needs.

31
32 *SEC. 21. Item 8660-001-0462 of Section 2.00 of the Budget*
33 *Act of 2014 is amended to read:*
34

35 8660-001-0462—For support of Public Utilities Commission,	
36 payable from the Public Utilities Commission Utilities	
37 Reimbursement Account.....	93,763,000
38	95,263,000

1	Schedule:	
2	(1) 10-Regulation of Utilities.....	156,388,000
3		<i>157,888,000</i>
4	(2) 15-Universal Service Telephone Pro-	
5	grams.....	93,555,000
6	(3) 20-Regulation of Transportation.....	29,194,000
7	(4) 30.01-Administration.....	43,132,000
8	(5) 30.02-Distributed Administration.....	-43,134,000
9	(6) Reimbursements.....	-60,544,000
10	(7) Amount payable from the State High-	
11	way Account, State Transportation Fund	
12	(Item 8660-001-0042).....	-3,963,000
13	(8) Amount payable from the Public Trans-	
14	portation Account, State Transportation	
15	Fund (Item 8660-001-0046).....	-5,964,000
16	(9) Amount payable from the Transporta-	
17	tion Rate Fund (Item 8660-001-0412)....	-2,839,000
18	(10) Amount payable from the Public Util-	
19	ities Commission Transportation Re-	
20	imbursement Account (Item 8660-001-	
21	0461).....	-13,009,000
22	(11) Amount payable from the California	
23	High-Cost Fund-A Administrative	
24	Committee Fund (Item 8660-001-	
25	0464).....	-1,474,000
26	(12) Amount payable from the California	
27	High-Cost Fund-B Administrative	
28	Committee Fund (Item 8660-001-	
29	0470).....	-1,441,000
30	(13) Amount payable from the Universal	
31	Lifeline Telephone Service Trust Ad-	
32	ministrative Committee Fund (Item	
33	8660-001-0471).....	-21,194,000
34	(14) Amount payable from the Deaf and	
35	Disabled Telecommunications Pro-	
36	gram Administrative Committee Fund	
37	(Item 8660-001-0483).....	-62,657,000
38	(15) Amount payable from the Payphone	
39	Service Providers Committee Fund	
40	(Item 8660-001-0491).....	-72,000

- (16) Amount payable from the California
Teleconnect Fund Administrative
Committee Fund (Item 8660-001-
0493)..... -2,945,000
- (17) Amount payable from the Federal Trust
Fund (Item 8660-001-0890)..... -5,498,000
- (18) Amount payable from the California
Advanced Services Fund (Item 8660-
001-3141)..... -3,772,000

Provisions:

1. The Public Utilities Commission shall require any
public utility requesting a merger to reimburse the
commission for those necessary expenses that the
commission incurs in its consideration of the proposed
merger. *Notwithstanding any other provision of law,
due to the bankruptcy of Sacramento Natural Gas
Storage, the commission's intervenor compensation
award to the Avondale Glen Elder Neighborhood As-
sociation in A.07-04-013 has been reduced to a frac-
tion of the amount awarded. In this limited circum-
stance, the commission may expend up to \$1,500,000
to pay to the Avondale Glen Elder Neighborhood As-
sociation the difference between the amount received
from the bankruptcy court and the amount awarded
by the commission by increasing charges collected
from utilities pursuant to the commission's inter-
venor's compensation program established under
Section 1807 of the Public Utilities Code.*

SEC. 22. Item 8660-001-0493 of Section 2.00 of the Budget
Act of 2014 is amended to read:

8660-001-0493—For support of Public Utilities Commission,
for payment to Item 8660-001-0462, payable from the
California Teleconnect Fund Administrative Committee
Fund..... 2,945,000

Provisions:

- ~~1. Notwithstanding any other provision of law, upon re-
quest of the Public Utilities Commission, the Depart-
ment of Finance may augment the amount available~~

for expenditure in this item to pay claims made to the California Teleconnect Fund Administrative Committee Fund Program. The augmentation may be made no sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee. The amount of funds augmented pursuant to the authority of this provision shall be consistent with the amount approved by the Department of Finance based on its review of the amount of claims received by the Public Utilities Commission from telecommunications carriers.

SEC. 23. Item 8660-101-0493 of Section 2.00 of the Budget Act of 2014 is amended to read:

8660-101-0493—For local assistance, Public Utilities Commission, pursuant to Section 270 of the Public Utilities Code, payable from the California Teleconnect Administrative Committee Fund..... 104,605,000

Provisions:

1. *Notwithstanding any other provision of law, upon request of the Public Utilities Commission, the Department of Finance may augment the amount available for expenditure in this item to pay claims made to the California Teleconnect Fund Administrative Committee Fund Program. The augmentation may be made no sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee. The amount of funds augmented pursuant to the authority of this provision shall be consistent with the amount approved by the Department of Finance based on its review of the amount of claims received by the Public Utilities Commission from telecommunications carriers.*

SEC. 24. Item 9800-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0001—For Augmentation for Employee Compensation.....	271,039,000
	271,480,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for compensation increases and increases in benefits related thereto of employees whose compensation, or portion thereof, is chargeable to the General Fund, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
3. It is the intent of the Legislature that all proposed augmentations for increased employee compensation costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items where the funds to implement comprehensive statewide compensation policies, including those adopted pursuant to collective bargaining, are considered. This provision shall not apply to augmentations for increased employee compensation costs resulting from mandatory judicial orders to raise pay for any

1 group of employees or augmentations for increased
2 compensation costs, or approvals for departments to
3 provide increased employee compensation levels, that
4 are included in bills separate from the budget act.

- 5 4. This item contains funds estimated to be necessary to
6 implement side letters, appendices, or other addenda
7 to a memorandum of understanding (collectively re-
8 ferred to as “pending agreements”) that have been
9 determined by the Joint Legislative Budget Committee
10 to require legislative approval prior to their implemen-
11 tation, but which may not have been approved in sep-
12 arate legislation as of the date of the passage of this
13 act. In the event that the Legislature does not approve
14 separate legislation to authorize implementation of
15 any of the pending agreements, the Director of Finance
16 shall not allocate any funds related to those pending
17 agreements pursuant to Provision 2, and the expendi-
18 ture of funds for those pending agreements shall not
19 be deemed to have been approved by the Legislature.
- 20 5. As of July 31, 2015, the unencumbered balances of
21 the above appropriation shall revert to the General
22 Fund.
- 23 6. The Director of Finance may adjust this item of appro-
24 priation to reflect the health benefit premium rates
25 approved by the Board of Administration of the Cali-
26 fornia Public Employees’ Retirement System for the
27 2015 calendar year. Within 30 days of making any
28 adjustment pursuant to this provision, the Director of
29 Finance shall report the adjustment in writing to the
30 Chairperson of the Joint Legislative Budget Committee
31 and the chairpersons of the committees in each house
32 of the Legislature that consider appropriations.
- 33 7. By inclusion of this provision, for purposes of Sections
34 3517.5 and 3517.63 of the Government Code, the
35 Legislature hereby ratifies the following agreements
36 that require the expenditure of funds: (1) addendum
37 concerning Aviation Consultants, dated November 22,
38 2013, to the Memorandum of Understanding (MOU)
39 with State Bargaining Unit 1 (Service Employees In-
40 ternational Union); (2) addendum concerning Recre-

ational Therapists, dated March 4, 2014, to the MOU with State Bargaining Unit 19 (American Federation of State, County, and Municipal Employees); (3) the MOU dated May 5, 2014, with State Bargaining Unit 13 (International Union of Operating Engineers), including continuous appropriation of economic terms in the event that a budget act is not in place prior to July 1, 2016, such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable Budget Act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a budget act is not in place prior to June 30, 2016, such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable budget act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

SEC. 25. Item 9800-001-0494 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0494—For Augmentation for Employee Compensation, payable from other unallocated special funds.....	228,638,000
	228,931,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for compensation increases and increases in benefits related thereto of employees whose compensation, or portion thereof, is chargeable to special funds, to be allocated by bud-

1 get executive order by the Director of Finance to the
2 several state offices, departments, boards, bureaus,
3 commissions, and other state agencies, in augmentation
4 of their respective appropriations or allocations, in
5 accordance with approved memoranda of understand-
6 ing or, for employees excluded from collective bargain-
7 ing, in accordance with salary and benefit schedules
8 established by the Department of Human Resources.

- 9 3. Notwithstanding any other provision of law, upon ap-
10 proval of the Director of Finance, expenditure author-
11 ity may be transferred between this item and Item
12 9800-001-0988 as necessary to fund costs for approved
13 memoranda of understanding or, for employees exclud-
14 ed from collective bargaining, in accordance with
15 salary and benefit schedules established by the Depart-
16 ment of Human Resources.

- 17 4. It is the intent of the Legislature that all proposed
18 augmentations for increased employee compensation
19 costs, including, but not limited to, base salary increas-
20 es, pay increases to bring one group of employees into
21 a pay equity position with another group of public
22 employees, and recruitment and retention differentials,
23 be budgeted and considered on a comprehensive,
24 statewide basis. Therefore, the Legislature declares its
25 intent to reject any proposed augmentations that are
26 not included in Items 9800-001-0001, 9800-001-0494,
27 and 9800-001-0988, given that these are the items
28 where the funds to implement comprehensive
29 statewide compensation policies, including those
30 adopted pursuant to collective bargaining, are consid-
31 ered. This provision shall not apply to augmentations
32 for increased employee compensation costs resulting
33 from mandatory judicial orders to raise pay for any
34 group of employees or augmentations for increased
35 compensation costs, or approvals for departments to
36 provide increased employee compensation levels, that
37 are included in bills separate from the budget act.

- 38 5. This item contains funds estimated to be necessary to
39 implement side letters, appendices, or other addenda
40 to a memorandum of understanding (collectively re-

ferred to as “pending agreements”) that have been determined by the Joint Legislative Budget Committee to require legislative approval prior to their implementation, but which may not have been approved in separate legislation as of the date of the passage of this act. In the event that the Legislature does not approve separate legislation to authorize implementation of any of the pending agreements, the Director of Finance shall not allocate any funds related to those pending agreements pursuant to Provision 2, and the expenditure of funds for those pending agreements shall not be deemed to have been approved by the Legislature.

6. As of July 31, 2015, the unencumbered balances of the above appropriation shall no longer be available for expenditure.
7. The Director of Finance may adjust this item of appropriation to reflect the health benefit premium rates approved by the Board of Administration of the California Public Employees’ Retirement System for the 2015 calendar year. Within 30 days of making any adjustment pursuant to this provision, the Director of Finance shall report the adjustment in writing to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committees in each house of the Legislature that consider appropriations.
8. By inclusion of this provision, for purposes of Sections 3517.5 and 3517.63 of the Government Code, the Legislature hereby ratifies the following agreements that require the expenditure of funds: (1) addendum concerning Aviation Consultants, dated November 22, 2013, to the Memorandum of Understanding (MOU) with State Bargaining Unit 1 (Service Employees International Union); (2) addendum concerning Recreational Therapists, dated March 4, 2014, to the MOU with State Bargaining Unit 19 (American Federation of State, County, and Municipal Employees); (3) the MOU dated May 5, 2014, with State Bargaining Unit 13 (International Union of Operating Engineers), including continuous appropriation of economic terms in the event that a budget act is not in place prior to

July 1, 2016; such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable budget act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a budget act is not in place prior to June 30, 2016; such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable budget act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

SEC. 26. Item 9800-001-0988 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0988—For Augmentation for Employee Compensation, payable from other unallocated nongovernmental cost funds.....	112,613,000
	<i>112,757,000</i>

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for employee compensation increases, and increases in benefits related thereto, whose compensation or portion thereof is chargeable to nongovernmental cost funds, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from

collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.

3. Notwithstanding any other provision of law, upon approval of the Director of Finance, expenditure authority may be transferred between Item 9800-001-0494 and this item as necessary to fund costs for approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.

4. It is the intent of the Legislature that all proposed augmentations for increased employee compensation costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items where the funds to implement comprehensive statewide compensation policies, including those adopted pursuant to collective bargaining, are considered. This provision shall not apply to augmentations for increased employee compensation costs resulting from mandatory judicial orders to raise pay for any group of employees or augmentations for increased compensation costs, or approvals for departments to provide increased employee compensation levels, that are included in bills separate from the budget act.

5. This item contains funds estimated to be necessary to implement side letters, appendices, or other addenda to a memorandum of understanding (collectively referred to as “pending agreements”) that have been determined by the Joint Legislative Budget Committee to require legislative approval prior to their implementation, but which may not have been approved in separate legislation as of the date of the passage of this

act. In the event that the Legislature does not approve separate legislation to authorize implementation of any of the pending agreements, the Director of Finance shall not allocate any funds related to those pending agreements pursuant to Provision 2, and the expenditure of funds for those pending agreements shall not be deemed to have been approved by the Legislature.

6. As of July 31, 2015, the unencumbered balances of the above appropriation shall no longer be available for expenditure.

7. The Director of Finance may adjust this item of appropriation to reflect the health benefit premium rates approved by the Board of Administration of the California Public Employees' Retirement System for the 2015 calendar year. Within 30 days of making any adjustment pursuant to this provision, the Director of Finance shall report the adjustment in writing to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations.

8. By inclusion of this provision, for purposes of Sections 3517.5 and 3517.63 of the Government Code, the Legislature hereby ratifies the following agreements that require the expenditure of funds: (1) addendum concerning Aviation Consultants, dated November 22, 2013, to the Memorandum of Understanding (MOU) with State Bargaining Unit 1 (Service Employees International Union); (2) addendum concerning Recreational Therapists, dated March 4, 2014, to the MOU with State Bargaining Unit 19 (American Federation of State, County, and Municipal Employees); (3) the MOU dated May 5, 2014, with State Bargaining Unit 13 (International Union of Operating Engineers), including continuous appropriation of economic terms in the event that a budget act is not in place prior to July 1, 2016, such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable budget act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU

with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a budget act is not in place prior to June 30, 2016, such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable budget act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

SEC. 27. Section 11.00 of the Budget Act of 2014 is amended to read:

Sec. 11.00. The Department of Finance shall report to the Joint Legislative Budget Committee when a reportable information technology project's overall costs increase by \$5,000,000 or 20 percent of the budgeted cost of the project, whichever is less. Each report shall include all of the following: (1) the total change in cost, scope, and schedule; (2) the reason for the change or changes; (3) a description of new, amended, or new and amended contracts required as a result of the change or changes; (4) a list of the risks and issues identified in the last two Independent Verification and Validation and Independent Project Oversight Reports and any risk and issue that has been identified since those reports; and (5) ~~the Department of Technology's~~ department's planned mitigation of these risks and issues. The report shall be made no less than 30 calendar days prior to any commitment to a new contract or contract amendment that is a result of the change or changes identified above, or a lesser period if requested by the department and approved by the Chairperson of the Joint Legislative Budget Committee or his or her designee.

SEC. 28. Section 39.00 of the Budget Act of 2014 is amended to read:

Sec. 39.00. The Legislature hereby finds and declares that the following bills are other bills providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution: AB 1458, AB 1459, AB 1460, AB 1461, AB 1462, AB 1463, AB 1464, AB 1465, AB

1 1466, AB 1467, AB 1468, AB 1469, AB 1471, AB 1472, AB 1473,
2 AB 1474, AB 1475, AB 1477, AB 1478, *AB 1479, AB 1480, AB*
3 *1481, AB 1482, AB 1483, AB 1484, AB 1485, AB 1486, AB 1487,*
4 *AB 1488, AB 1489, AB 1490, AB 1491, AB 1492, AB 1493, AB*
5 *1494, AB 1495, AB 1496, AB 1497,* SB 853, SB 854, SB 855, SB
6 856, SB 857, SB 858, SB 859, SB 860, SB 861, SB 862, SB 863,
7 SB 864, SB 866, SB 867, SB 868, SB 869, ~~and~~, SB 870, *SB 873,*
8 *SB 874, SB 875, SB 876, SB 877, SB 878, SB 879, SB 880, SB 881,*
9 *SB 882, SB 883, SB 884, SB 885, SB 886, SB 887, SB 888, SB 889,*
10 *SB 890, and SB 891.*

11 *SEC. 29. This act is a Budget Bill within the meaning of*
12 *subdivision (e) of Section 12 of Article IV of the California*
13 *Constitution and shall take effect immediately.*

14 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~
15 ~~changes relating to the Budget Act of 2014.~~